

THE Hongkong Weekly Press

AND

China Overland Trade Report.

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CONTENTS.

	PAGE
Far Eastern News	509
Leading Articles:—	
Socialistic Legislation	510
Misrepresentative Legislatures	510
The Hongkong Plague	511
China and the Customs Tariffs	512
The Japanese Residence-General in Korea	512
The Anti-Opium Movement	512
Hongkong's Opium Revenue	513
Random Reflections	513
Hongkong News	514
H.E. Tang Shao Yi in Hongkong	515
The University Project	515
Canton News	515
A Deceptive Appearance	516
Supposed Murder on the Railway	516
Macao Notes	516
Catastrophe in the Beacon Hill Tunnel	516
Allegations of Misconduct Against a Solicitor	517
The s.s. "Fatshan" Affair	525
Alleged Ferocious Dog	525
Hongkong Legislative Council	526
Victoria Gaol	529
Belilos Public School	530
Opium Smuggling	530
Shipping Notes	530
Correspondence:—	
The Cost of the Railway	530
Death of a British Vice-Consul	530
Supreme Court	531
Serious Fire on the s.s. "Kutsang"	532
Ill-Treating a Child	532
Sir Frederick Lugard, K.C.M.G., C.B., D.S.O.	532
Great Earthquake in West Sumatra	532
Railway Development in China	533
Medical Teaching in China	534
The World's Coal Supply	524
New Homeward Passenger Service	534
Shanghai Sharebrokers in Court	534
Steel Making in China	535
Shanghai Public Companies:—	
The A. Butler Cement Tile Works, Ltd	536
The Shanghai Mutual Telephone Co., Ltd	536
Inspection of Paracel Islands	536
Customs Gazette	536
Far Eastern Telegrams	537
Opium Exports from India	537
Hongkong Lawn Tennis League	537
Hongkong Cricketers in Japan	537
Commercial	539
Shipping	540

BIRTH.

At Shanghai, on June 6th, the wife of L. E. CANNING, of a son.

MARRIAGES.

At Shanghai, on June 7th, DENIS EWART DONNELLY of Ningpo, to ISABELLA ELIZABETH JOHNS, of Wuhu.

At Shanghai, on the 7th June, EDITH ANNIE McDONALD, t. WM. DENNIS.

At Shanghai on June 7th, AGNES CLYDE RICKER, to DANIEL COATH.

At Hongkong, June 19th, CYRIL FRANCIS WOGAN BOWEN-BOWLANDS, to Mrs. ST. LEGER PARSONS.

DEATH.

At Shanghai on June 7th, JOHN WILLIAM JONES, of the China Mutual Life Insurance Co. Shanghai, aged 29 years

ARRIVAL OF MAILS.

The German mail of the 19th ultimo, arrived per s.s. *Yorck* on the 13th inst.

The French mail of the 21st ultimo, arrived der s.s. *Armand Behic* to-day.

Hongkong Weekly Press.

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FAR EASTERN NEWS.

The King of Siam has had a most interesting tour round the coasts of his country.

The Cotton Seed Oil Mill of the Japan Cotton Trading Co. at Hankow has been destroyed by fire.

The steamer *Glenogle* when between Hongburgh and Singapore rescued six members of the crew of a wrecked Chinese junk and brought them to Hongkong.

A fire occurred in the organ loft of the Union Church, Shanghai, last Monday, and damage was done to the organ and fittings to the extent of Tls. 400 before the fire was extinguished.

The export of Japanese oranges abroad has grown from Y79,000 in 1897 to Y1,000,000 in 1908. The oranges are chiefly exported to Siberia, China, Korea and the United States.

Gold to the value of 7,000 pesos has been taken out of the Antamok mines near Benguet since January 1st, 1909. These are the mines in which Mr. M. A. Clarke is largely interested.

A Japanese trade journal states that the total number of Japanese cigarettes sold last year was 167,000,000 in China proper, 2,333,000,000 in Manchuria and 456,000,000 in Korea.

By the outward M. M. mail steamer *Armand Behic* from Marseilles, M. Gourbeil is coming from Paris on his way to Saigon, where he is to be the new Lieutenant Governor of Cochinchina, in place of the late M. Bonheur.

The application for the inauguration of a steamship service on the Yellow River from a foreign syndicate which offers in return to construct embankments to prevent flood, has met with a curt refusal, says a Chinese contemporary.

During the hearing of a coining case at Bangkok, the other day, it was stated that if Hongkong dollars were made into ticals the profit on each would be 6d. That is apart from the cost of freight in taking the dollars to Bangkok from Hongkong.

The duty collected by the Imperial Maritime Customs during the first quarter of the year on foreign and native opium amounted to Haikwan taels 354,669, which shows a reduction of Taels 120,549 as compared with the amount collected in the corresponding quarter of last year.

Followers of "the sport of Kings" will be interested to know that Minoru (the name of the King's horse which won the Derby) is a Japanese word meaning "Success." Colonel Walker, the breeder of the horse, informed a correspondent that the horse was called after the second son of his Japanese gardener at Tully, Kildare.

Superintendent Nakamura, of the Japanese Police Force at Hankow, has been stabbed to death in his residence by a police sergeant, who after committing the deed jumped from the verandah and committed afterwards *hari-kiri*. He, however, did not succeed in killing himself and was removed to hospital in a critical condition.

A Japanese contemporary learns on good authority that the Chinese Government has placed orders with the Kawasaki and Mitsu Bishi Shipbuilding Yard at Kobe and Nagasaki for the construction of one cruiser each of 5,000 tons. The Osaka Iron Works are said to have also received orders from China for three or four vessels of smaller size. The contracts are reported to have already been signed.

The many friends of Captain W. H. Lunt, of the C.M.S.N. Co., will be interested to learn that his youngest son has left for the United States to study for the Ministry. Mr. Lunt will study at Worcester College, a well known seat of learning in the Eastern states. This is believed to be the first time that a Shanghai born boy has gone home to study for holy orders. He has the best wishes of many friends for his future career.

A stabbing affray took place at Shanghai last Sunday which almost resulted in murder. A sailor from the German gunboat *Luchs* had an altercation with a sailor from the French cruiser *Alger*, and words led to blows. The Frenchman slapped the German, who afterwards hit the other on the head with a bunch of keys, whereupon the former drew a knife and stabbed the German. Neither of the men's injuries were of a serious nature.

An Imperial proclamation has been issued at Peking reducing the likin dues hitherto levied upon merchandise travelling upon the Shanghai-Nanking Railway. The reductions amount to from twenty to fifty per cent. A rescript issued at the same time stated that no other charges should be made upon merchandise travelling by the Shanghai-Nanking railway, and announcing that heavy punishment would be the result of any infringement of that order.

The wedding of Major Nathan, R.E., the popular agent and general manager of the Chinese Engineering and Mining Co., and Miss Evie Detring, the eldest unmarried daughter of Mr. and Mrs. Detring, was to take place at St. Louis Church, Tientsin, on the 15th inst. The civil marriage was to take place at the German Consulate on the 14th inst. *The China Times* says it may be useful to state that the commonly current report that Major Nathan had become a Roman Catholic is a mere piece of gossip absolutely without foundation. He remains of the Jewish religion, and she remains Roman Catholic.

Yokohama has just lost two of its oldest lady residents, namely, Mrs. Lowder and Mrs. Williamson. Mrs. Lowder and Mrs. Williamson are daughters of the Rev. S. R. Brown, an American missionary, who, with his wife and family, arrived in Japan forty-nine years ago last November. Mrs. Lowder is the wife of the late Mr. Lowder, a well-known lawyer in Yokohama, who was associated with Sir Rutherford Alcock in the early days. She has been very active in all philanthropic work there both among Europeans and Japanese, and has been deservedly held in high esteem by all sections of the community. Mrs. Williamson is the widow of Judge Williamson, a prominent lawyer of Cleveland, who was identified with some of the great railroad interests of the country. Mrs. Williamson has been on a visit to her sister in Yokohama during the past twelve months. Both ladies have been the recipients of many manifestations of respect lately from their father's former pupils and their many Japanese friends, as well as from foreign residents.

A Haiphong paper calls attention to the readiness with which Chinese traders profit by the Tonkin-Yunnan Railway. At the important trading centre of Mongtse customs trade values have risen from about fourteen millions of francs, in 1897, to to over 44 millions ten years later—an increase of 30 per cent. The tin mines of Hokeon furnish much traffic to the line. The output there rose from 2,500 French tons in 1897 to 4,000 tons in 1908.

The fiftieth anniversary of the opening of Yokohama as a treaty port will be celebrated on July 1. At a recent meeting of the committee in charge of the arrangements it was resolved:—To discharge fireworks day and night on the day of celebration. To provide procession-cars, and illuminate the streets. To unveil the late Naosuke Ii's bronze statue. To hold base-ball matches, boat-races and other sports. To postpone various impending religious festivals to that day.

The work of segregating the lepers in the Philippines is being done very thoroughly and rapidly all over the archipelago. The provinces of Mindoro, Masbate, Romblon, Capiz, Iloilo, Antique, Negros, Samar and Leyte have been gone over three or four times and it is believed that but few if any lepers remain therein. On some of the other islands a few have been located and will be picked up on the coming trip. This work of segregation has been going on since 1906. Up to that time the relief extended to lepers was more in the nature of aiding the individual leper; the larger project of exterminating the disease from the archipelago was never taken up to any extent.

The *Japan Mail* says:—"A long telegram sent by Mr. Chirol to *The Times* on the 30th ultimo and published in that journal on the 2nd inst., is referred to by Japanese leading newspapers with much satisfaction. Mr. Chirol was able to say that he found in Japan a spirit eminently friendly to England and conciliatory towards China. He was also able to say that Japan's attitude towards the Fakumen and Chientao problems, as well as towards other questions pending between herself and China, is just and moderate. The telegram combined with the leading article which appeared at the same time in *The Times* will certainly have powerful influence in swaying English opinion."—It will be noted that the *Mail* which is in a position to know, says the telegram was sent by Mr. Chirol, and not by the Tokyo correspondent of the *Times*.

Commandant d'Olonne has returned to France after two years spent in Western China and North Eastern Tibet, at the head of a French mission of exploration. He made many interesting discoveries in this little-known quarter of the globe, which will be related before the Royal Geographical Society in London, in response to an invitation from that organisation. The mission under Commandant d'Olonne traversed the country in the upper valley of the Hoang Ho occupied by the warlike race the Hsifani who have never been subjugated by China, and who form a practically neutral state between China and Tibet. "As to religion," Commandant d'Olonne says, "they have made a salad of several theologies. They practise simultaneously Buddhism, Brahminism, and a primitive religion not unlike that of the primitive Greeks and Scandinavians, worshipping the spirits of the plains, rivers, and mountains."

The Japanese Settlement at Hankow appears to be flourishing, the *Japan Mail* says. The number of houses and inhabitants is increasing daily. It is expected that buildings for a fish market and a vegetable market will be soon erected. A consulate is to be built in July, and an elementary school is to be transferred to the town from some place which is not mentioned in the telegram. Ground for a Japanese club has been purchased at an outlay of 4.50 taels, and work has been commenced on a building which is to cost 15,000 dollars. A large firm is spoken of as engaged in putting up particularly imposing premises. Its partners are Mr. Takagi, of the Mitsui House, Mr. Tachibana, of the Okura House, and Mr. Kao, head of an exchange shop at Wuchang. It has further been decided that the terminus of the Yeh-Han Railway shall be on the river's bank, immediately opposite the Japanese Settlement, and this is expected to have a great influence upon the development of the latter.

SOCIALISTIC LEGISLATION.

(Daily Press, June 12th)

Mr. LLOYD-GEORGE must be a proud man to-day after having successfully carried through the House of Commons his great scheme of social legislation disguised as a financial measure so that it evades the hostility of the House of Lords. The author of a recently issued book, entitled "The Menace of Socialism," describes Socialism in a happy phrase as "an aspiration linked with an appetite" and combining "the dream of justice with the secret hope of loot." In the debate on the Budget which took place in the House of Commons we note that Mr. PHILIP SNOWDEN M.P.—whom citizen H. G. WELLS, the famous novelist, counts as one of the sanest leaders of the Socialist movement—was particularly enamoured of this Budget, and he declared to the House that there is no way under Heaven by which you can make the poor better off except by making the rich poorer. And, putting on the mantle of the prophet, he informed the House that "this Budget is not the last tribute the idle rich classes of this country will be called upon to pay for dealing with the problem of poverty which their riches are responsible for." We are told in one report of the debate that this utterance caused "a wave of unrest" which was even more evident on the Liberal than on the Unionist benches. Liberals may dissent from this view, but it is impossible for anyone to disguise the fact that the doctrines enunciated by this Socialist member of the House of Commons underlie the whole conception of the Budget, and that in the scheme of social legislation the Budget embodies a precedent is created which is certain to be followed to the greater disturbance of the security of capital which is the basis of prosperity in its widest sense. Whether it will work all the injury to capital and the industries it feeds that is now anticipated, time alone will show. It has been argued very forcibly by the Opposition that the Budget will frighten away capital. The Prime Minister's reply to that is "Where is capital going to fly to? Where is it going to find a resting place and a breeding place where it will be more secure than in England?" Germany, Mr. ASQUITH told the House, had to face a financial position besides which that of England was "child's play." Capital might go north and south, east and west,—it might traverse the whole of the civilised world—"it would still find itself confronted with a Finance Minister no less necessitous than his right hon. friend." Yet prominent bankers in London are representing that the flow of capital out of the country, which they regard as inevitable, has already commenced, and it is prophesied that the Income-tax officials at the next quarter will observe both a marked decrease in the income received from home investments, side by side with a marked increase in the income returned by conscientious taxpayers as derived from foreign investments. Lord CREWE, the Secretary of State for the Colonies, speaking at the annual dinner of two Associations of Bankers dealt with this topic in a way which suggested that if capital flowed out of the United Kingdom it would flow largely into the British Colonies. He reminded his hearers that half of the holdings outside the United Kingdom was held in India and the Colonies. With regard to the Crown Colonies, in 1906 Hongkong raised £1,100,000, at 3½ per cent.; in 1907 the Straits Settlements raised £5,000,000 at 4 per cent., convertible bonds running for five years; and in 1907 Southern Nigeria raised £3,000,000 at 4

per cent., for the purposes of development. Those loans are held in England. The citation of these facts might serve to indicate that good investments may be had in the British Colonies, but it is no answer to the argument that the Budget is having the effect of diverting out of the United Kingdom a good deal of capital that is needed at home. The Socialist seems to forget that it is a very wide world we live in, and he does not recognise that legislation which drives capital out of the country does not solve the problem of poverty, but accentuates it.

MISREPRESENTATIVE LEGISLATURES.

(Daily Press, June 14th.)

It is somewhat strange that in England and America at the same time we should find legislative chambers, nominally representative, so thoroughly mis-representative of the feelings and opinions of their respective nations as are the House of Commons and the Senate. For long the American nation had been groaning under the burdens imposed on it by the ultra-protectionist tariff, which, without a corresponding increase in incomes, was raising to famine prices all the necessities of life. President ROOSEVELT had felt the pressing need for relief, but uncertain of the action of the House at the moment, and deeming it inexpedient to introduce so disputatious a measure in his last year of office, he had passed it on to a new President and a new Congress, who would be able to approach the question with more unfettered minds.

Somewhat in a similar manner, the minds of the nation at large had in England been gradually awakening to the absurdities of Cobdenian so-called Free-trade, which was gradually sapping the foundations of the industries of the land; and was actually pandering to the exclusive protectionism of the Continental Powers, in this respect following the lead of Germany. Though the manufacturers and financial classes were rapidly awaking to the evil results of the belated policy of the Cobden Club, the masses of the workers, into whose minds Free-trade (we use the compound as a single word advisedly), had been instilled as a fetish, and dishonour to which would bring on them dire disaster, were still infected with modern Cobdenism. Though the Government of Mr. BALFOUR, then in power, was disposed to look favourably on some amendment in the financial department of the tariff, its members were by no means unanimous, and leaders would not under any circumstances have made tariff reform the subject of an appeal to the country. The affair was, however, complicated by other considerations. The Government had unwisely raised into a political question the importation into South Africa of Chinese labour under conditions of employment that were capable of being misrepresented as approximating to slavery; and their opponents, though well aware of the falsehood of these assertions, were yet prepared to take advantage of the falsehood to further their political ends. The result was a dishonourable drawing together of the extreme Cobdenian section of the pretended Free-traders, and the socialistic element among the working classes at the time of the last general election, and the return to Parliament of an altogether new political section, united only on the one point of revolution. No one institution of the country has been safe, but the principal point of attack has been property; the wealthier classes being openly plundered

to provide funds for creating a proletariat pensioned by the State. In all this the House of Commons, elected solely for the purpose of preventing any reform of the Tariff which could be interpreted as a return to protection, has taken the lead; and which balked by the action of the House of Lords, openly backed up a revolutionary movement to abolish the Upper House. More wise than its pretended representatives, the country in no mistakeable terms has refused to be led into the commencement of what was intended to be a Revolution.

On much the same lines, through strangely in outward appearance directly contrary, has been the action of the Senate in the United States. It was the intention of the founders of the Constitution, that the Senate, possessed of equal powers with the "House" should act the part of the House of Lords in England of checking the momentary extravagancies of the more popularly elected chamber,—should be in effect a means of appealing from "Philip drunk to Philip sober." Intended to be elected by the legislatures of the various States, the tendency has always been towards making the elections merely popular, and this is doubtless one of the causes of the decline of the Senate. The election is for a long six years, the members retiring in rotation, and this, it was thought, would ensure that individual members would be above the level of temptation, and would use their power rigidly in the interests of the nation. So apparently it did for a century; but while the term has proved not long enough to ensure the sole devotion of the individual to the nation, it is long enough to make him impervious to such useful influences as the fear of having to account at some period, it may be tomorrow, for his actions. Long e'er his delinquencies will come before his constituents they will have had ample time to forget them. But the individual Senator is peculiarly open to influences in business affairs; and indeed his election has most probably been sought for the sake of using that influence to further the interests of some overgrown corporation in which he is a partner, or is interested. In such a case he is bound by custom to place the dictates of the particular association above the calls of duty to the country at large. It is here that the Senate has ceased to be representative of the nation as a whole.

The country at large has had much reason to complain of the action of the general policy of protection that has prevailed in the States for nearly twenty years. As a whole the nation is disposed to favour as a policy of Protection, rather than Free trade. Even the modified Free trade of the late GROVER CLEVELAND whose motto was Tariff for Revenue, and a free hand to all producers, meets little support in the States, and considering the vagaries into which the upholders of the system in England have gone, the feeling is founded on a large amount of common sense. But that does not prevent a large, perhaps the largest, section of the thinking population from seeing that Protection, even if a blessing, may be so manipulated as to become a curse. This was the feeling of the late President, Mr. ROOSEVELT, and was shared by a large section of his supporters. Accordingly on Mr. TAFT's accession to office the first step of the new President was to call a special session of Congress to take into consideration the Tariff. The House was well disposed in answer to the general feeling to modify the duties so far as this could be done while preserving their general protective nature. The Senate, which has not, as the House of Lords, resigned its right of initiation in

monetary bills, came under a different class of inspiration; many of its members were personally interested in one or other of the great Trusts, which so seriously hamper the executive of the States, and others, not themselves personally interested, permitted themselves to be influenced in various ways, more or less discreditable. The end has been that the Senate has produced a counter draft (as little representing the views of the nation as the Licensing Bill, or Education Bill of the present House of Commons did the views of the English people), wherein the acknowledged hardships of the present Tariff, instead of being done away with or alleviated are made ten times more protective and heavier than the present. Meanwhile, as in England, the revolutionary action of the Senate is bringing the real executive of the country to a standstill. What one Chamber passes the other refuses to ratify, so that practical legislation is impossible. It is doubtless the case in England that in the majority of cases this is a blessing. Over-legislation has in fact become so much of a curse that the nation at large would hail a rest, but this growing feeling of indifference, which certainly exists, has its own dangers.

THE HONGKONG PLAGUE SEASON.

(Daily Press, 15th June.)

We are much surprised to see in the *Peking Daily News* an article on Plague in Hongkong suggesting that the disease prevails here as much as ever it did. The article is based on a dispatch from Canton which however, does not, in our opinion, warrant the deduction our contemporary has drawn from it. The dispatch in question says:—"The plague season has come, but nothing much is heard of it here in Canton save occasional cases which are imported from Hongkong. As usual, when plague first makes its annual appearance in Hongkong, the people escape to Canton from the former place where the sanitary laws are so strict that they do not even allow persons to have the time to attend to their sick, whereas here in Canton the Fong Pin Sho has done more than the outside world knows towards curing plague stricken patients. Plague patients treated by Chinese methods in this hospital show a high percentage of recovery as shown by the returns." However that may be the statement does not justify the conclusion that plague is as bad in the Colony as ever it was, and much worse than in Canton and other cities of South China. Our contemporary may reply that it has not said as much. True the article does not say this in so many words but that is the idea which a reader with no other knowledge of the subject would derive from a perusal of the article. It says: "It is evident that the Sanitary authorities, who have been raising the hue and cry for years past are helpless, and that nothing substantial towards obtaining a better method of treatment of the disease has been discovered." The prevalence of the disease is one thing and the method of treating it is another. It is very gratifying to be able to state as a matter of fact that there have been fewer cases of plague in the Colony of Hongkong this season than in any year since the first outbreak of plague in 1894, excepting only the years 1895 and 1897, when very few cases occurred in the Colony. To show the improvement this year we compile the following table:

Year	Total for the year	Total to end of June
1895	44	18
1896	1,204	1,125

1897	21	4
1898	1,820	1,297
1899	1,486	1,064
1900	1,087	766
1901	1,651	1,487
1902	572	382
1903	1,415	1,278
1904	510	376
1905	304	196
1906	893	843
1907	240	123
1908	1,037	?
1909	105 to June 14	

We are unable to complete the table as the Medical Reports for 1908 have not yet been published, but a study of the above table shows very plainly that after the month of June we may expect to see a substantial diminution in the prevalence of the disease in Hongkong. To date, only 105 cases have been reported this year, and if the monthly distribution of cases which has been shown in past years holds good this year, we shall not be wrong in anticipating that this year's total will be lower than any since 1897.

Our Peking contemporary is very severe on our Sanitary Board. "In the opinion of the majority of the Chinese people," it says, "the abolition of the Sanitary Board will help a great deal in stopping plague." But it, of course, offers no proof of this ridiculous assertion. Our contemporary, however, does say that:—Sanitation has to be encouraged in all countries, but that its enforcement is the sole method for the prevention of plague is strongly doubted, which is evidenced by the sanitary condition in Canton and many cities in South China. In these places, plague has never played such havoc as it has done in Hongkong. If our contemporary were in a position to furnish any trustworthy statistics as to the prevalence of plague in Canton and other cities of the mainland we should be in a better position to form an opinion on the subject. All that the Hongkong authorities have been able to learn in this connection is that when plague is bad in Hongkong, it is equally prevalent in Canton,—and *vice versa*. According to our contemporary's information the only cases of plague in Canton this year are cases imported from Hongkong, but last week our correspondent at Canton sent us a translation of a letter addressed by an individual to the Self-Government Society which drew attention to the prevalence of plague in Canton, and stated that "the number of people who have died through contracting the disease has been countless, and the epidemic is still spreading rapidly in every part of the city." If this statement is true, the theory exploded that the prevalence of plague is not affected by the sanitary measures taken to combat it. It is noteworthy that by far the greater proportion of the cases reported in the Colony this year have been from districts beyond the limits of the city of Victoria, and we think it may with confidence be said that the comparative freedom of the city is due to the increased attention which is being paid to elementary rules of sanitation. How far the encouragement which has been given to the keeping of cats is contributing to diminish plague is an interesting question which it is very difficult to answer, but the smallness of the returns is presumptive evidence of the success of the experiment.

The demand for beef in Japan has considerably increased recently and the import of Australian cows is scarcely sufficient to meet the ever increasing demand. In view of this, Japanese traders at Yinkow have contracted with the traders at Kobe and Tokyo for the import of Mongolian cows to Japan on a large scale.

CHINA AND THE CUSTOMS TARIFFS.

(Daily Press, June 16th.)

There has been some reference in the Chinese Press lately to an effort which the Chinese Government has been making in the direction of fulfilling the engagement it entered into by the MACKAY Treaty of 1902 to permanently abolish the likin system. China, it seems, has desired a Conference of the Treaty Powers with a view to securing an agreement for an increase in the Customs duties preliminary to the abolition of the Likin barriers. It is stated that China will agree to totally abolish Likin as soon as she has entered into a definite agreement with the Powers for an increase in the Customs duties, as only in this event can the central Government secure sufficient income to carry these reforms into effect. It is not clear from the published statements regarding this abortive effort to convene a Conference what China's attitude really is. There is the statement that the British Government is opposed to the suggestion of a Conference on the ground that so long as China has failed to abolish Likin barriers and to bring about reform of the currency and other reforms provided in the MACKAY Treaty, Great Britain does not consider that China has a right to ask for tariff increase. We take it then that the proposal of the Chinese Government is for an increase of the duties before Likin is abolished—a reversal of the order of things laid down in the MACKAY Treaty. When Likin barriers are permanently abolished on all roads, railways and waterways in the Eighteen Provinces of China and the Three Eastern Provinces, the British Government by the MACKAY Convention consented, in return, to allow a surtax, in excess of the Tariff rates for the time being in force, to be imposed on foreign goods imported by British subjects, and a surtax in addition to the export duty on Chinese produce destined for export abroad or coastwise. Therefore when it is stated that "before China can bring about the reforms mentioned in the MACKAY Treaty she must have the definite assurance of the Powers that they will agree to customs increase to a reasonable extent," the reply, so far as Great Britain is concerned, is that the MACKAY Treaty contains this definite assurance. Article VIII, section 2, states that "the British Government agree that foreign goods on importation in addition to the effective 5 per cent. import duty as provided for in the Protocol of 1901 shall pay a special surtax equivalent to one and a half times the said duty to compensate for the abolition of Likin." Chinese papers have represented that the British and the German Ministers are opposing the abolition of Likin. What Sir JOHN JORDAN is opposing is rather, it would seem, a proposal to raise the Customs duties before the Chinese Government has fulfilled its obligation to abolish Likin, which was the condition precedent to the British Government's consent to the increase of the Customs duties. It should, however, be added that the condition on which the Chinese Government entered into these engagements was that all Powers, entitled to most favoured nation treatment in China also entered into the same engagements as Great Britain with regard to the payment of surtaxes and other obligations imposed by Article VIII of the British Treaty. Subject to these provisions the arrangements provided for in the Article were to come into force on 1st January 1904, by which date all Likin barriers were to be removed and the officials

employed in the collection of taxes and dues which the Article prohibits were to have been removed from their posts. But these conditions were not fulfilled. The United States and Japan made new Treaties with China in 1903 consenting to pay the same surtax as Great Britain by way of compensation to China for the complete abolition of Likin, and Portugal did the same in 1904, but no new Treaties have been made with the other Treaty Powers. As, however, it has recently been announced that all the Powers have agreed with the exception of Germany, we presume there has been an exchange of Diplomatic Notes. It may further be pointed out that the new Treaties to which we have referred give liberty to either of the High Contracting Parties to demand a revision of the tariff at the end of ten years from the date of the exchange of ratifications. Presumably the underlying assumption of this provision was that Likin would have been abolished and the surtax in lieu thereof would have been in vogue, and at the end of ten years both China and the Powers would be in a position to see how the new arrangement had worked, and if unsatisfactory to either party, the provision offered the opportunity for a revision. But Likin has not been abolished and the surtax has therefore not been imposed. It will be time enough to increase the Customs duties when these things have been done, and not before. We take this to be the attitude of the British Government towards the proposal which China has made for a conference of the Powers on this subject.

THE JAPANESE RESIDENCY GENERAL IN KOREA.

(Daily Press, June 17th.)

Prince Ito's resignation of the high and responsible post of Resident-General in Korea, which he has held for three years, is not an unexpected event and therefore creates no surprise. As Japanese statesmen go, His Excellency is an old man, being seventy-eight years of age, and now that he has set up the new machinery of government in Korea, and largely imbued the Korean nation with a sense of Japan's friendly concern for her welfare and development as a nation, His Excellency doubtless feels that he can safely leave the further development of his plans to Viscount SONE, who has been his chief lieutenant. But the Grand Old Man is not retiring from public life, and in his new appointment as President of the Privy Council the nation has the assurance that he will still exercise a watchful and a potent influence in the development of the great scheme of reform in Korea with which his name will ever be honourably associated. His retirement from the post of Resident-General simply means for him well-earned relief from the onerous and exacting detail work of administration. He has mapped out the way of progress, set the machinery of the new administration in motion, and he leaves behind him in Seoul experienced administrators who have had the benefit of his inspiration and guidance. PRINCE ITO's task in Korea has been one which demanded the highest qualities of statesmanship, and even the sturtest critics of Japan's policy in Korea can have nothing but admiration for the manner in which the venerable statesman has discharged the responsible duties he undertook; nor can Japan's claim that she has already effected a great improvement in the political and social conditions of the country be controverted. Before Japan took the responsibility of intervening in Korean affairs it is undeniable that "Korean political

history was a perpetual repetition of the same tale: plot, counterplot, insurrection and foreign complications," and though we have not yet heard the last of insurrectionary movements, Korea has ceased to be regarded as the powder magazine of the East. True, the effect of Japan's policy is for the present, the virtual annexation of the country so long as her people are unfitted to govern. As PRINCE ITO once declared "the identity of Korean and Japanese interests in the Far East, and the paramount character of Japanese interests in Korea, will not permit Japan to leave Korea to the care of any other foreign country: she must assume the charge herself." Her assumption of that charge has been both a gain to peace and a benefit to the trade, not only of Japan, but of other foreign Powers besides, as the annual trade returns clearly demonstrate. And now that PRINCE ITO is retiring from the position of virtual monarch of Korea, the first thought of the peaceful commercial nations of the world will, we think, be one of gratitude for the good he has undoubtedly accomplished, followed by the fervent hope that the future development of his plans in Korea will continue to be attended with the same beneficent results.

THE ANTI-OPIMUM MOVEMENT.

(Daily Press, 18th June.)

We do not see much in the Chinese Press at the present time about the Anti-Opium Campaign, nor is much heard about it. But what little information is published on the subject from time to time does not give one the impression that as much progress is being made as the declarations a few months ago prepared us to expect. For instance, our Canton correspondent yesterday mentioned that when the police authorities at Fatsan announced last week that the new licenses for smokers were ready and that it would be henceforth an offence to smoke opium without a licence, thousands of persons besieged the police offices for licences, and the entire supply fell far short of meeting the actual demand. It can safely be said that so long as the drug is procurable, so long will there be opium smokers in China, and the glowing accounts of a great renunciation on the part of opium smokers are to be heavily discounted. This incident at Fatsan illustrates the untrustworthiness of Chinese official information in regard to the subject. In the belief that they were well informed as to the number of people addicted to smoking opium, the police authorities had provided themselves with what they doubtless regarded as an ample supply of licences—and to their amazement they discovered that the estimate was hopelessly inadequate. What has occurred at Fatsan is possible in many other towns in China, and it will probably be found, as more trustworthy information based on the issue of licences comes to hand, that the success of the appeal to the Chinese people throughout the empire to give up the practice of opium smoking has been largely over-stated. We put less faith in voluntary abstention by sudden resolve than in the gradual weaning process enjoined by the growing cost of the drug as supplies diminish. The British import of opium is diminishing by one-tenth a year. China, it has been affirmed, is abandoning the cultivation of the poppy at a still more rapid rate, but it must not be forgotten that China grows at least six times more opium than is imported into the country. A year ago optimistic leaders of the anti-opium movement in China were

declaring that China would cease to be a producer of opium in a couple of years. Though it cannot be gainsaid that the cultivation of opium during the past twelve months has been greatly reduced in some districts, the Edicts and proclamations of provincial officials in many other districts have not been so implicitly obeyed, and it will probably be found that the native opium grown during the present year is quite five-fold the amount of the total import from foreign countries. We may notice in this connection a statement by the Rev. H. E. Du Bose, who has prominently identified himself with this question in North China. The rev. gentleman has recently interviewed the Governor of Chekiang, who is extolled for the anti-opium measures he has undertaken, but there is no indication in the course of the statement made by the Governor that anything tangible has been accomplished so far in that direction. What the Governor told Mr. Du Bose was that "it was too late in the season to stop the growth of poppy this year, but he would issue instructions to the Prefects and District Magistrates to allow no poppy to be planted in the autumn, so that next year the province should be entirely free from the production of the drug." As in spite of the proclamations of last year nothing has apparently been done in the province to reduce this year's cultivation, we may well hesitate to place a great deal of confidence in the statements as to what will happen next year. The Governor of Chekiang, like the Viceroy of Nanking, is anxious that the Chinese Government should create a monopoly of opium imported from abroad, "so that the officials may the more easily control the sale of the drug." It is unnecessary, he says, to wait for ten years for opium to be entirely abolished from China, and having entirely suppressed Chinese opium, he proceeds to show how by annually increasing the retail price of opium under a Government monopoly "the use of the pipe will soon become unknown in the land." The objections to a Government monopoly have been frequently stated and there is no need to repeat them. If China is able to entirely suppress opium-smoking throughout the Empire in the course of another eight or nine years she will have accomplished an ambition which few impartial observers believe to be possible. If the Chinese Government is able to entirely suppress the cultivation of the poppy within its own dominions within a year or two, there is obviously no need to create a monopoly of the gradually diminishing import in order to secure an annual advance of one hundred per cent. in the retail price, because that would in all probability result under the natural law of supply and demand.

HONGKONG'S OPIUM REVENUE.

(Daily Press, 19th June.)

We think the community generally will support the action taken by the unofficial members of the Legislative Council at Thursday's meeting in pressing for an interpretation of the Secretary of State's promise to ask Parliament to give "a substantial contribution" towards making good to the Colony the revenue which is found to be lost by giving effect to the Imperial Government's instructions for the closing of the whole of the opium-smoking divans in the Colony when the existing contract with the Opium Farmer expires next March. The Government answered that until the Bill now before the Council is passed, deciding the conditions on which the Opium Farm is to be leased when the existing agreement expires,

it is impossible to ascertain precisely what loss of revenue the Colony will sustain, and so until new tenders for the Opium Farm under the altered conditions have been received the Government does not consider itself in a position to ask the Imperial Government to translate the term "substantial" into a more definite promise. By the weight of the official majority the second reading of the Bill was carried, and thus we shall have to wait perhaps many months for the information which it is most important that we should have almost immediately. It is customary to lay the Colonial Estimates before the Council in the month of September, and we are at a loss to understand how it will be possible to frame the Estimates unless the Government is informed whether the promise of a "substantial contribution" means a quarter, a half or the full amount of the direct loss of revenue sustained through the prohibition of opium divans in the Colony. Surely it should not be impossible to obtain from the Imperial Government a promise in that form. What the Secretary of State may regard as substantial this Colony may consider extremely inadequate. On the authority of the Attorney-General we have it that the Secretary of State's promise cannot be interpreted as a promise of the whole amount, and when the Attorney-General spoke of "the whole amount" he seemed to regard this as the difference between the price at present paid for the Opium Farm and the price which will be paid under the new contract. It cannot, we think, be too strongly emphasised that this will not fully represent the loss the Colony will suffer in carrying out the policy of the Imperial Government. If Parliament were to be asked for a grant-in-aid equal to the difference between the present and the future rental of the Farm it would not be excessive generosity. The Hon. Mr. MURRAY STEWART indicated very clearly how the prosperity of the Colony is likely to suffer from the suppression of the opium trade. "Everyone," he said, "will feel the effects of this measure from top to bottom of the community, Europeans and Chinese alike, from the leading merchants to the humblest coolies. There will be less employment for the labour on land and in the harbour. Fewer or emptier ships will come and go. The port will suffer. That is the price which Hongkong will have to pay for the opium policy of His Majesty's Government—that is the burden which we asked in vain might be imposed gradually. If it had been imposed gradually we should have borne it unassisted. But under the circumstances, it would only be right that the whole of the demonstrable loss to revenue should be made good."

The indefiniteness of the Secretary of State's promise is the more tantalising the more it is considered. In the first place, we do not know whether the views of the Government, as to what is a substantial contribution, are in accord with the views of the Colony; secondly, we have no assurance that Parliament will sanction what the Government proposes; and thirdly, we do not know how long the Government propose to continue this grant-in-aid. Each year the quantity of Indian opium sent to China is cut down by one-tenth. It is therefore certain that the Hongkong Government will have to prepare for an annually increasing loss of revenue from the opium farm, and it is at the same time obvious that the annually decreasing import of opium will seriously affect the general prosperity of the Colony. On top of all this the Colony has become liable for

a big railway loan with no certain prospect of being able to meet the interest out of railway revenue for some years to come. The Colony is therefore naturally very anxious to be assured that the promise of a substantial contribution towards loss of revenue resulting from the anti-opium policy is not likely to be less than what Mr. STEWART has termed "the demonstrable loss."

RANDOM REFLECTIONS.

Whew! Isn't it warm!

If the Hongkong University does nothing else, the scheme must be regarded as highly successful inasmuch as it has touched Chinese liberality to a remarkable degree and it has shown Chinese confidence in the British authorities here.

Work carried out by the Government does not always compare favourably with private enterprise. According to a notice I saw the other day, Messrs. Jar dine Matheson and Co's new offices at the corner of Pedder Street will be completed about the end of September, although it is only about twelve months since the work was commenced. The Government building on the opposite side has been in progress for years, and it looks as if it will take as many years as the other took months to finish.

Had it not been for the Bandmann Company we might not have been able to realise what potentialities for joking lay in the bother over Jeyes' fluid. As the clever comedian put it, the Sanitary Board did not know whether the fluid was Jeyes' or they were. That is of course unkind. No one who knew them would suggest that the members were jays. In the present matter Mr. Hooper has shown that when the Crown Agents ordered Jeyes' fluid they, in the words of the Irishman, ordered something else. Mr. Hooper has thrown down the gauntlet. What courageous member of the Government is going to take it up?

Discussions on railway affairs continue with little additional enlightenment thrown on a state of affairs which is not altogether satisfactory. The crux of the matter seems to be whether the five million dollar estimate with which we started was an estimate or not. At the time we thought it was an estimate, but now it seems we were mistaken in regarding it as such. However, once bitten twice shy. We'll watch well the next estimate laid before us for any great undertaking.

Touching the cost of railways once more, I notice that notwithstanding Hongkong's experience, Mr. J. M. Barry told the members of the Royal Society of Arts that 30,000 miles of railway in China would require a capital of £200,000,000. That works out at £6,666 a mile. The Shanghai Nanking Railway was constructed at a cost of £9,661 per mile "including land, construction and equipment." I don't know how many miles of railway we are going to have in Kowloon. The Hon. Mr. Murray Stewart at the Legislative Council last week mentioned that we are to have "many miles of sidings at the terminus." Let us be generous and allow for four miles of sidings to 21 miles of railway, and we find that our 25 miles of railway "including land, construction and equipment" is costing £40,000 per mile!

The desire of His Excellency the Governor to preserve song birds in the Colony is a very laudable one. Holders of game licences are asked to destroy magpies whenever opportunity offers. The notice makes no discrimination between the two species of magpie found in the Colony, so I presume that as enemies of the song birds there is not much to choose between them. When I heard a friend express surprise that this charge should be laid against the magpie, I looked up an article on the bird life of Hongkong, written by Staff-Surgeon Kenneth H. Jones, B.N., and I pass on the information that there are two kinds of magpie in Hongkong

—the common magpie, one of the best known of all the Hongkong resident species, and its near relation the Chinese blue magpie. It is interesting to note that the Chinese consider the common magpie a bird of good omen. "It is tame and confiding to a degree rarely, if ever, to be met with in other countries." The Chinese blue magpie, however, "is one of the noisiest resident species in the island and produces a perfectly amazing variety of sounds, from harsh guttural chuckings to beautifully modulated flute-like whistles amounting at times almost to a song." Though Surgeon Jones has nothing that is bad to say against the common magpie, he says of the Chinese blue magpie that "they are great robbers of the eggs of other species and the appearance of the blue magpie in the vicinity of the nests of the magpie robin or the blackheaded bulbul is the signal for an immediate attack on the would-be robber." The blue magpie "is a quarrelsome bird fighting for its right to a feeding ground both with its own kind and with the common magpie." The blue magpie is a bluish-coloured bird, with coral red bill and legs and a most disproportionately long tail.

Hongkong is stirred to its depths. The old-fashioned cocktail is threatened. You see it is this way. Authorities on food—and drink—have discovered that the original cocktail with its cherry or olive was calculated to please the eye only. Now it is decreed that dry appetisers should be the order of the day. Cherries should be avoided. The squeezing of a piece of lemon in the drink is all wrong. Why? Well, it is said the oil floats on the liquid and being the first thing to reach the palate, remains there, preventing one from tasting anything but the oil for half an hour. Woe is me! Another delusion shattered.

The ascetic life does not flourish in Hongkong—at least among the foreign community. The idea of prayer meetings at six o'clock in the morning may "cotton on" in other parts of the world, but I can understand those to whom the proposition was made in all sincerity the other day looked down their noses and evinced no enthusiasm for the innovation. I believe a compromise was arrived at—7.15 a.m. Now if it were training for the race meeting! But that is a different matter.

RODERICK RANDOM.

HONGKONG.

There were two suicides and one birth in Victoria Gaol during 1908.

A fine of \$250 was on June 15 imposed on a Chinese for having been found boiling opium, and with having a quantity of opium in his possession.

For stealing eight chairs from the Taiping Theatre a coolie was at the Magistracy on June 14th sentenced to six weeks' imprisonment and six hours in the stocks.

The Hon. Mr. F. H. May C.M.G., Colonial Secretary, with Mrs. May and family left by the *Empress of Japan* on June 12th for Canada. They intend spending the summer at Banff.

Death to the magpie! His Excellency the Governor notifies holders of game licences that he will be glad if they will destroy magpies whenever opportunity offers, with a view to preserving song birds in the Colony.

The master of a trading junk was prosecuted by Inspector Fenton at the Magistracy on June 17th on a charge of damaging a beacon light near Yaumati. Defendant allowed his junk to collide with the light and damage was done to the extent of \$206.92. The case was remanded.

A daring attempt to rob a European on the 12th inst. was frustrated by the pluck of the intended victim. While Sergt. Lawrence was proceeding to barracks late on Saturday night by way of a path inside the military grounds he was attacked at a dark part of the road by two coolies who rushed at him and attempted to throw him. Fortunately they did not succeed and the sergeant tackling them caught one man and the other ran away. The man who was caught was placed before Mr. Kemp at the Magistracy yesterday, and being convicted was sentenced to six months' imprisonment.

On June 19th the Captain and Officers of the Japanese cruiser *Chitose* entertained a large number of residents to tea on the cruiser, a very pleasant time being spent. The cruiser left Hongkong yesterday for Shanghai.

The dissolution is advertised of the partnership hitherto existing between Messrs D. D. Nowrojee and I. P. Madar in carrying on the businesses of the King Edward Hotel and the Hongkong Bakery. Mr. Nowrojee carries on these businesses in future under the old signs and names.

On the 12th inst. Mr. G. A. Caldwell, the secretary of the Hongkong and Whampoa Dock Company, was entertained by a number of Office friends to a complimentary dinner at the Hongkong Hotel in recognition of the completion of twenty five years service with the company.

At the Magistracy on June 18 the proprietor of a Chinese theatre was summoned at the instance of the Registrar General for carrying on a theatrical performance of a public nature without first furnishing an abstract of the plot or nature of each performance to the Registrar General. Mr. Hazeland, before whom the case was brought, imposed a fine of \$10.

Stanley Ling, whose address was given as Peak Hospital, reports to the police that early on Sunday morning while he was riding in a public chair he either lost or had stolen from him, a pocket book, an open faced silver Waltham watch, and from his finger a gold ring value £1. There were also taken away another ring and a silver cigarette case, the total value being £9.

Under instructions received from the Secretary of State for the Colonies H. E. the Governor has been pleased to appoint Mr. T. K. Dealy to be headmaster of Queen's College in succession to Dr. G. H. Bateson Wright, retired on pension. Mr. Dealy has been one of the masters at the college for twenty five years and his appointment to the head-mastership gives general satisfaction.

His Excellency the Governor has given his assent, in the name and on behalf of His Majesty the King, to the following Ordinance passed by the Legislative Council:—Ordinance No. 12 of 1909.—An Ordinance to authorize the Appropriation of a Supplementary Sum of Five hundred and twelve thousand two hundred Dollars and thirty-four Cents, to defray the Charges of the Year 1908.

At the Magistracy on June 14 Lau Fat Ting whose extradition is sought by the Government of China on a charge of armed robbery was discharged. Previously Mr. Kemp discharged the man but he was re-arrested and brought before Mr. Kemp who yesterday again dismissed him. He was however arrested again on a similar charge. Mr. Reader Harris appeared for defendant on both occasions and entered the plea that he was a political offender and that he was wanted by the Chinese Government because he was a follower of Sun Yat Sen.

Mr. F. I. Gelsthorpe, victualling store officer at the Naval Yard, left the Colony on Tuesday for Home. The Philharmonic Society loses in him a most energetic secretary, and he will be much missed at St. John's Cathedral, where he was not only a member of the choir but has assisted the Bishop and clergy as a lay reader. Mr. Gelsthorpe is going up the Yangtse to Peking thence crossing Manchuria to Japan. He proposes to spend a few weeks there before continuing his voyage to San Francisco, thence going by rail to Canada en route to England.

Mr. W. H. Kelly, senior writer in the audit office at the Naval Yard, was among the passengers who left for England by the P. and O. steamer *Delhi* on June 12th. Mr. Kelly, who was a member of the Civil Service Cricket Club, took an active part in furthering that Club's interests, and in recognition of his services the members presented him with a handsome souvenir on Friday. On Saturday morning a large number of friends boarded the steamer to bid him goodbye, and after all had given him a farewell handshake, and the steamer got under way, the launch containing his comrades followed the liner, a fusillade of crackers and volleys of cheering conveying the last message of those on the launch, "bon voyage and future prosperity."

The theft of a large quantity of cowhides from the steamship *Chipshing* has been reported to the police. On one occasion cowhides to the value of \$950 were stolen, then sometime between the 7th inst. and the 14th another lot weighing 1,500 lbs. were taken away and again 260 lbs. were stolen. All these thefts took place during transshipment in the harbour and the lightermen are suspected.

In the case of Lau Fat Ting, who was arrested on June 14th at the Magistracy after being discharged a second time on charges of armed robbery brought by the Chinese Government on which they asked for his extradition, it is stated that Mr. Reader Harris, who appeared for the defendant, is preparing to petition H.E. the Governor in the interests of his client, who claims that he is wanted by the Chinese Government because he is a political offender. He is said to be a follower of Sun Yat Sen.

Mr. R. H. Baxter, of the estimating and cost department of the Hongkong and Whampoa Dock Company, terminates his engagement with the office next month and sails for home. His departure will be regretted by many outside the circle of Kowloon Dock, as he took a prominent part in the social life of the peninsula. With Mrs. Baxter he was largely responsible for founding the Kowloon Dock Amateur Dramatic Club, and both he and his good lady contributed largely to the success of the productions which they undertook. Mr. Baxter was a *persona grata* at Scottish concerts and his departure will occasion a loss which will be felt.

The Bandmann's Merry Little Maids Opera Company brought their short season to a close on Tuesday when they produced that popular piece "A Waltz Dream" at present running with such conspicuous success at the Apollo Theatre, London. The Theatre Royal, in spite of the great heat prevailing, was comfortably filled, and the Company have every reason to be gratified at the success which attended their efforts, for the plaudits of the audience were frequent and prolonged. In fact, we think we are safe in saying that the present Company is one of the finest ever sent East by the enterprising proprietors, and we wish them every success during their sojourn in the Northern Ports.

It is proposed to hold the annual camp for the Artillery, Engineer and Infantry Volunteer companies this year in the New Territories from Saturday, 13th November, to Monday, 22nd November. As the distance from Hongkong will be too great for members to go to and fro daily, all employers have been asked to grant leave of absence to those of their employees who are Volunteers to enable them to attend camp. In those cases where employers are unable to grant leave for the whole week they have been asked to do so for either the first or second half of the week. The work to be performed in camp will be specially interesting and, provided sufficient numbers attend, most instructive. The Artillery companies will each day carry out some tactical scheme with the mountain guns and mules, and also with the howitzers, or sight tripods in lieu, and with maxim guns. The Engineer and Infantry companies will be able, in addition to other work, to carry out field firing.

An interesting note *apropos* of the remarks made in our leading article on June 15 appears in our Canton correspondence. Evidently plague is more prevalent in Canton than it is in Hongkong this season, and is apparently a matter of unusual concern to the authorities. Our Canton correspondent's note also suggests that, contrary to the assertions of our Peking contemporaries, the treatment of plague cases in Canton is not more successful than it is in Hongkong. The percentage of deaths in Hongkong has usually been nearly 90. The high percentage in Canton has caused the authorities to order the arrest and deportation of doctors who are reported by the medical inspectors to have given wrong prescriptions in plague cases! Evidently there are medical Solomons, or Ponderos, in Canton who claim to know "the infallible cure," and the members of the medical profession in Hongkong who have for so long been seeking the infallible remedy will doubtless be glad to have their attention directed to its discovery at Canton!

H.E. TANG SHAO YI IN HONGKONG

H. E. Tang Shao Yi, who has been on a special mission to the United States and Europe, arrived in the colony on Tuesday by the N. D. L. steamer *Yorck*. Captain Taylor, A. D. C. to H. E. the Governor, was among those who met the steamer on arrival. H. E. the Ambassador stayed the night at Glenealy Building, which has been taken and furnished for H. E. Ko, the Macao Demarcation Commissioner, who will shortly come from Canton to stay here.

His Excellency Tang Shao Yi and Staff called at Government House on Wednesday morning and were received by H. E. Sir Frederick Lugard.

On Wednesday at noon about 120 Chinese merchants and gentry assembled in the Chinese Club, Queen's Road, Central, to welcome H. E. Tang Shao Yi, special Ambassador to the U. S., on his return en route to Peking. Mr. Lau Chu Pak was elected Chairman of the meeting. H. E. and Staff arrived at 12.30 p.m. and they were escorted upstairs from the main entrances by a sub-committee, whence the Chairman led the way into the dining room, where tea and cakes were served shortly after the assemblage took their seats.

Mr. LAU CHU PAK rose and said he felt it a great honour to preside and had great pleasure on behalf of the Chinese merchants and gentry assembled there then and also in the name of the members of the China Club to extend to H. E. and Staff a hearty welcome. They welcomed H. E. not merely because he was a great official of China, great in position and influence, but because he was one of China's most capable and enlightened men of the day. What H. E. had all along done displayed competent knowledge and wonderful talents. Both his own countrymen and Europeans held him in high esteem. From a mere student educated abroad H. E. rose to be one of the most powerful and important ministers of the present moment, all from his own merits and not by chance or by influence so far as his abilities and merits were concerned. He, the Chairman, refrained from going into details, so as not to take up H. E.'s valuable time, as they were well known to everyone present. Suffice it to say, that since H. E. took part in international dealings, in every matter of importance, notwithstanding that influence had been brought to bear on him, he invariably did his utmost to maintain the dignity of his own country and further the interests of his own people. Had China a few more men like him, great advance would have been made. Now that he returned from visiting more than ten European countries, with extended knowledge and experience, it was hoped that the Chinese Government would appoint him to a more important position than before, so that H. E.'s wonderful talents might be brought into full display and thereby his country might be moved forward to take a place amongst the powerful nations of the world. Mr. Lau concluded by wishing the Ambassador long life and prosperity and by calling upon the meeting to give three hearty cheers. (Loud and prolonged applause.)

H. E. TANG in reply said he felt very grateful for what the merchants of his country did for him that day, a hospitality, which on previous occasions when he visited Hongkong, he had enjoyed and fully knew how kind it was. But at the same time he could not help feeling ashamed of himself after listening to Mr. Lau Chu Pak's eulogistic remarks. He had no achievements that he could recall to mind to deserve such praise. As he was already perspiring in this hot weather, Mr. Lau's remarks made his perspiration more. He felt it trickling down his back at the moment (laughter). Altogether he had visited eleven countries and after having been away from his native country so long, he longed very much to be back again. During his journey abroad, he had very little chance of seeing his own countrymen and not until he arrived at Ceylon on his homeward journey did he meet any Chinese. Hongkong was a flourishing port and he was always very glad to see so many Chinese trading and living there. Although the business of Hongkong had suffered somewhat of late and appeared to be at a standstill just now he hoped it would revive when the cool weather came. The representatives of firms and individual merchants present might take the dullness as a holiday merely for this hot season. It

would give place to briskness in the cold season. He thanked the meeting very much for their kind entertainment and had it not been for pressure of official duties, which demanded his presence at Peking, he would be very pleased to stay amongst his people in the South for sometime. (Applause.) After tea, a photograph was taken of the party as a souvenir.

His Excellency and Staff re-embarked at 3.30 p.m. to resume the journey to Peking via Shanghai.

THE UNIVERSITY PROJECT.

GENEROUS DONATION FROM THE VICEROY OF CANTON.

We have pleasure in giving publicity to the following correspondence transmitted to us by direction of H. E. the Governor by the Hon. Colonial Secretary:—

Viceroy Chang to H. E. The Governor of Hongkong.

9th June 1909.

SIR.—The founding of a University at Hongkong is a project which it has been Your Excellency's earnest and benevolent purpose to set on foot, and I hear with the greatest pleasure of the enthusiasm in subscribing and the favourable prospects of success. I have myself ordered funds to be raised to the amount of \$200,000. This sum is now provided, and can either be forwarded at any time or drawn upon by letter as required; whichever Your Excellency finds convenient. Besides this, I am endeavouring to find further funds for the purpose of placing them at Your Excellency's disposal, to help towards the expenses of the University.

The degrees to be conferred by the University, however, are the subject of considerable public attention, and while I am informed that Your Excellency's Government proposes that it should be on a par with Birmingham University, I hope Your Excellency will be good enough to give me detailed information on what has been decided, in order that I may publish it for the satisfaction of students and subscribers.

I avail etc.
(Card of Viceroy.)

H. E. the Governor of Hongkong to Viceroy Chang.

11th June, 1909.

SIR.—I have received Your Excellency's letter of June 9th informing me of your generous donation of \$200,000 to the Fund for the Endowment of a University here and that you are collecting further funds for this purpose. The receipt of this letter (and also of the manifesto issued by Your Excellency describing the purposes of the University and emphasizing its value to China) has given me the liveliest pleasure, since they afford proof that Your Excellency, whose first care is the interest of China, welcomes this scheme as one which will confer a benefit on the people, and promote friendship and co-operation in high objects between our respective nations.

Your example and generosity will be an incentive to all, and your name will be identified with the founding of this Institution.

With regard to the question of degrees Your Excellency may rest assured that it is our intention that the standard shall be fully on a par with that of Birmingham or other first class British University. So soon as I have been able to arrange details of this matter (which will take time) I shall have pleasure in affording Your Excellency the fullest information.

I have the honour to be,

Sir,

Your Excellency's most obedient Servant.
(Sd.) F. D. LUGARD
Governor &c.

His Excellency,
The Viceroy of Canton.

In honour of Mr. Amos P. Wilder, American Consul-General at Shanghai, a tiffin was given last week in the Palace Hotel by Judge Thayer. The staffs of the Consulate, the U. S. Court for China, and the Postal Agency were invited, and the event was of an extremely pleasant nature. After the covers had been removed Judge Thayer extended a warm welcome to Mr. Wilder to his post in Shanghai, and the latter suitably responded.

CANTON.

[FROM OUR CORRESPONDENT.]

June, 14th.

PLAGUE AND ITS TREATMENT AT CANTON.

Owing to the prevalence of plague in Canton and the high percentage of deaths through the incompetency of the Chinese doctors attending people who have contracted this disease, the local authorities have deputed several officials to ascertain the names and addresses of all the doctors in Canton. A notification is left at the residence of each doctor directing him to furnish a daily official report of the number of patients that call at his house, description of the disease of each patient and their addresses. Qualified doctors, appointed by the authorities, will call on the patients to see if the prescriptions given to them are correct. Doctors giving wrong prescriptions will be arrested and deported from Canton.

CANTON-HANKOW RAILWAY.

A large shareholder of the Canton-Hankow Railway Company named Tang Chik Wai Tong has written a letter to the Company demanding an explanation of the telegram sent by Sir Chan Tung Liang Sheng (President of the Railway Company) to His Excellency Chang Chi Tung on the 2nd day of the 2nd intercalary moon this year stating that the company acquired additional land on Wong Sha valued over 400,000 taels. The writer says that according to the annual reports of the last three years showed that land had been purchased by the Company extending from Wong Sha to Kong How and that the items amounted to the sum of 332,160 taels. Why should the Company again purchase additional land at Wong Sha? The writer further states that in going into this matter he discovered that the Land Bureau of the Railway Company has not furnished any accounts to the shareholders during the last three years. He requests the Company to produce the title deeds of all the properties acquired by them for inspection.

THE MURDER OF TAOTAI LAU.

Lau Chok Yap, son of the late Taotai Lau Sze Kee, has again petitioned H. E. Viceroy Chang complaining that, though the murder of his father was reported to the authorities about a fortnight ago, yet up to the present moment not a single arrest has been made. The petitioner begs that pressure may be placed on the police officials in this matter so that the culprits might be captured and punished. The Viceroy replied as follows:—"Your father, the late Taotai Lau Kee, was assassinated by some bad characters who were his enemies and the deed was perpetrated out of pure revenge. I have directed the Magistrates to issue rewards for the arrest of the murderers. These instructions were given by me a fortnight ago, but up to the present time none of the culprits have been arrested. It appears that the police system is entirely inefficient and useless. In perusing the information regarding this case I find that the murderers entered the house as visitors and nothing was stolen; therefore it is quite clear that the murder was done out of revenge. Now the question is what bitter enmity was contracted by your late father to have caused these bad characters to design death to him? You are the son of the deceased, and if you are always with him, you ought to have heard and known who were his enemies. How is it that in your petition you have mentioned nothing about it? No doubt the case is a very serious one, but we have no clue as to where those murderers hail from, nor even what their names are; consequently, the capturing of the culprits in this case is far more difficult than in ordinary cases of this description. Yesterday I received a telegram from the Governor of Kwangsi about this matter and I have already caused the reward to be increased to \$5,000, and have given the officials a fixed time in which to have the culprits arrested and punished. I have also instructed the Provincial Judge and the Chief Superintendent of Police to direct the Poon Yu magistrate and the civil and military officials that they must arrest the murderers within the time given and have the case cleared up, otherwise they will be severely reprimanded."

16th June, 1909.

S.S. FATSHAN AFFAIR.

The following is a translation of a circular issued by the Self-Government Society:—

"That with respect to the s.s. *Fatshan* case "We beg respectfully to inform our brethren we received an order from the Viceroy some-time ago commanding all our brethren to obey it and to wait patiently for the decision of the matter by the authorities of both nations.

"As you are already aware, the Portuguese Consul made certain false accusations against our brethren in this matter; and notwithstanding the Viceroy's repeated communications urging the Portuguese Consul to hold a fresh joint investigation into the case; the latter has persistently delayed the fixing a date for the trial.

"This is practically destroying the good friendship which has hitherto been existing between the two friendly nations. In investigating into the duties of a Consul as representative of his Government in a foreign country we find that all such officials should be guided in all matters by a spirit of justice and fairness to the advantage of the people of both countries. With regard to the *Fatshan* affair, not only did the Portuguese Consul falsely accuse the members of the Self-Government Society with bribing the witnesses who gave evidence in the case, but he also admonished the representatives of the Press in very strong language; and, moreover, he insinuated that the Chinese are a race of people who only pretend to love their country. This is actually despising the whole Chinese race; such expressions certainly do greatly affect the good reputation of our brethren.

"Several months have elapsed since we wrote to the Portuguese Consul about this matter, and we are unable to bear it any longer. It is high time that we should again communicate with the Portuguese Consul and remind him about this subject and also to request him to give us an answer so as to allay the public anger. We have decided to hold an extraordinary meeting at 1 p.m. to-morrow to discuss this matter and we respectfully request all our brethren to attend the meeting."

MISCELLANEOUS.

The local press has been publishing for the last ten days an essay on hygiene written by the doctors of the Red Cross Society embodying precautions to be taken against plague.

The recent freshet has not entirely disappeared from the river at Fat Shan; there is still about three feet of water.

Owing to frequent complaints made by the Hongkong Government regarding the smuggling of prepared opium into the Colony by people from Canton, His Excellency the Viceroy has instructed the Commissioner of Customs here to make careful enquiry into any seizure of prepared opium made by the Custom House so as to find out whether the smuggling of prepared opium is being carried on by Chinese merchants in large quantities or only taken to Hongkong by opium smokers who travel frequently between Canton and Hongkong.

15th June, 1909.

NOT INCLINED TO GIVE UP OPIUM SMOKING.

Last week notifications were issued by the Police Stations of the various districts in Fatshan requesting all opium smokers to call at their stations to apply for the new wooden opium license. It is reported that during the week thousands of people went and applied for the new licenses; they were numerous that the stations did not have enough licenses to supply half the demand and had to issue temporary paper licenses to several thousands of them. This proves that the people in Fatshan are not inclined to give up opium smoking.

HUNANESE LOOKING FOR WORK.

Over 1,000 labourers have travelled overland from that province to Canton seeking for employment. They arrived at the North River a few days ago and the authorities up there on seeing such a large influx of people into the district and fearing that they might create trouble cabled to H. E. Viceroy Chang praying that instructions may be given to all the civil

and military officials in the neighbouring districts to keep them in peace and order and guard against any trouble which may arise while en route to Canton.

It is reported that yesterday about 500 of them arrived at the Tiger Forts. The Superintendent of Police on receipt of this information immediately instructed the Nam Hoi Magistrate to dispatch four large junks to convey them to Shek Loong, where employment will be given to them at the Canton-Kowloon Railway.

THE NEW PRAYA.

The wholesale firms along the bund here have hitherto enjoyed the privilege to erect a certain number of covered wooden jetties on the new praya for the purpose of landing and shipping cargo, but the new praya reclamation law distinctly states that no wood jetties will be permitted to exist and only iron or steel piers will be allowed in future on the bund. The Director of the Reclamation Department has in consequence given notice to the wholesale firms to remove all the wood jetties and have them replaced by iron ones. On receipt of the notification the wholesale dealers sent a joint petition to the General Chamber of Commerce representing that having regard to the depressed state of trade it would be very difficult for them to raise the necessary funds to erect iron piers at the present time. In support of their argument the petitioners stated that even in a foreign port like Hongkong only large steam boat companies have iron wharves, the smaller Chinese craft being allowed to ship and discharge their cargo along the praya wall. The letter says:—"This shows how liberally the Chinese merchants are being treated by the British Government; we are in our own country and surely deserve equal treatment. Furthermore, of late years many Imperial Edicts have been issued commanding the officials to be more considerate towards the merchants and also to give them every facility. The petitioners finally beg that the General Chamber of Commerce will take up their cause and communicate with the authorities to have the new laws repealed."

PLAGUE.

Plague has been playing havoc in Waichow and a large number of deaths are reported. It is stated that many of the wealthy and middle class people have fled from the city for safety.

A DECEPTIVE APPEARANCE.

"Cumsha, Mas'r, Cumsha," a small insignificant looking native beggar wailed as he followed three stalwart European policemen along the Wanchai Road on the 10th inst. His remarks appeared to be addressed more particularly to the biggest man of the trio, whom he characterised as kind-hearted, generous and good, and felt sure that he would "pai chin." The officer, however, was not in a generous mood, and ordered the beggar to move on. As the order, after being repeated several times, was not obeyed, the policeman decided to effect an arrest. With all the assurance of a strong man he seized the puny gleaner by the shoulder with the object of marching him off to jail, but was somewhat disconcerted to find in the beggar a man of exceptional strength. In the struggle which ensued, the hefty policeman found the small Chinese to be his match, and the other two officers had to render assistance. On the march to the Wanchai Station the beggar created quite a disturbance, his cries of "save life" soon attracting a large following. However, he was landed in a cell and appeared before Mr. F. A. Hazeland at the Magistracy on June 11. After hearing the evidence his Worship imposed a fine of \$1.

SUPPOSED MURDER ON THE RAILWAY.

Early on Thursday morning a shocking discovery was made by some coolie women, who were employed on a hillside near the south face of the Beacon Hill tunnel. While removing earth they discovered the body of a man with his skull battered in and a piece of rope made fast round his neck. Appearances indicate foul play, but the police who are investigating the affair have not yet got on the trail. The murdered man was one of the night gang of coolies employed in the tunnel.

MACAO.

[FROM OUR CORRESPONDENT]

11th June 1909.

THE EMPTY MUNICIPAL TREASURY.

The Leal Senado is still without money to fully meet last month's wages bill. The school teachers and others have not yet been paid. Heretofore it has been the practice of the Senado to observe the feast of St. John the Baptist, which falls on June 24th, but at its last meeting the Senado decided that they could not afford to celebrate the Feast this year, at the expense of the municipal treasury, and so a public subscription has been started.

All public works which the Corporation has in hand are stopped for want of funds to carry them on. But why the Corporation does not reduce the number of its employees I do not understand. For instance, in the school for girls there are five mistresses to teach twenty-eight girls. One class consists—excuse the Irishism—of one girl; two other classes have five girls in each; one class has seven pupils, and the largest twelve. I am told that none of the teachers receive less than \$56 a month. One would think that two teachers would be ample in this school. Somewhat similar conditions obtain in the Chinese school for boys. Sometime ago a report was made by Sr. Silva Mendes, the Rector of the Licen. Nacional, adversely commenting on the efficiency of these schools, but no action seems to have been taken on the report.

THE CITY RUINS.

Tourist: How is it that so many houses in Macao are so dilapidated?

Resident: Presumably the Government desires to impress visitors with the fact that this is an ancient city—not a modern growth like Hongkong and the Treaty ports of China.

Tourist: But what can the owners of these buildings be thinking about, letting them go to rack and ruin in this way?

Resident: Oh, well—the owners have no veneration for the ruins. They would long ago have put these houses in repair, or rebuilt, if only the Director of Public Works had been ready to grant the necessary licenses. There is in fact great joy among house owners here just now because of an announcement in the *Boletim Oficial* that H.E. the Governor is putting an end to this state of affairs, and we shall soon see the building trade flourishing again in Macao. Therefore the feeling is "Long live Rocadas!"

OIL FIELDS IN TIMOR.

News has reached here of the arrival in Timor of the senior partner in the firm of Messrs. Elliot and Co., the Australian firm which has obtained a concession to bore for oil in the island. Machinery and the staff to control operations are on the spot, and the enterprise seems a promising one. A consignment of the oil is expected to reach Macao soon. Let us hope the time may soon come when Timor will do unto Macao in her days of adversity, as Macao has for many long years done unto Timor. Millions of dollars have been remitted from the government chests of Macao to replenish the coffers of Timor. Macao will hope these favours—made by direction of a benevolent government at Lisbon—will be reciprocated.

THE GOVERNMENT MONOPOLIES.

The government is inviting tenders for the resuscitation of the Macao lottery, but it is understood that nobody is desirous of the privilege. For the opium monopoly, however, three or four syndicates are competing.

CATA TROPHE IN THE BEACON HILL TUNNEL.

THREE MEN SUFFOCATED.

News reached the city on June 11 of a catastrophe which occurred in the Beacon Hill tunnel on Thursday night, causing the death of three Chinese workmen and necessitating the removal of five others to hospital. It appears that the victims proceeded to work too soon after a blasting charge had been fired, and were overpowered by gelatine fumes which, as stated, caused the death of three men and half-suffocated five others.

ALLEGATIONS OF MISCONDUCT AGAINST A SOLICITOR.

The Full Court (consisting of Sir Francis Piggott, Chief Justice and Mr. Justice Gompertz, Puisne Judge) were occupied on the 14th, 15th, 16th and 17th inst. hearing an application calling upon C. F. Dixon, a solicitor of the Supreme Court, to show cause why he should not be removed and struck off the roll of solicitors.

Mr. E. Potter, instructed by Mr. C. D. Wilkinson (of Messrs. Wilkinson and Grist) made the application, and Mr. H. G. Calthrop, instructed by Mr. J. Scott Harston (of Messrs. Ewens and Harston) represented Mr. Dixon.

Mr. Potter said he thought it would be better if, at the outset of these proceedings, he dealt with an important matter, namely the jurisdiction of their Lordships' Court in a case of this kind. This was a motion calling upon one, Clive Fletcher Dixon, to show cause why he should not be struck off the roll. He thought he could make the question of jurisdiction perfectly clear to their Lordships if he dealt with the old procedure and the new procedure in England. He meant by the old procedure, the procedure in vogue before the passing of the Solicitors' Act of 1888, which must apply in this Colony. By the new procedure he meant the procedure now in vogue in England. Before the passing of the Solicitors' Act of 1888 the procedure was this: a motion was made to the High Court and an affidavit was put in by the plaintiff in a matter of this kind. If that affidavit contained any charges of a criminal nature the Court, in fairness to the defendant, always said: "We will not compel you to answer that affidavit by another affidavit." Counsel thought the reason was obvious because if the court made an order that the defendant should answer by affidavit he was really in a dilemma, because he must answer the affidavit or be guilty of contempt of Court. On the other hand, if he answered and was guilty of the charges, then he had put in a false and lying affidavit. Counsel would submit to their Lordships that this was the only indulgence the Court would show towards the defendant. But what the Court would do, and what their Lordships would find in all the decided cases was this: The Court would say—"We will make an order that you should show cause why you should not be struck off the rolls. That gives you an option of answering the charge or not as you shall think fit." The Court did not compel him to put in a false statement or any statement. But if he did put in a statement or file an affidavit, and on the face of that affidavit there was a *prima facie* defence—that was to say, for instance, if there was a total denial of the charge as in this case—then the Court referred the whole matter to a Master. The Master heard the evidence on both sides *viva voce*; he heard counsel on both sides; he reported his findings on the evidence to the High Court, and the High Court acted accordingly. That was to say, if the High Court considered that on the findings of the Master they were justified in striking the solicitor off the rolls, they struck him off. If they thought it was sufficient punishment to suspend him for a certain time they did so. If they thought the matter ought to go no further, it went no further. That was the old Common Law Procedure, and must apply to this Colony. The only difference was that there were no Masters here, and of course what happened was that their Lordships fulfilled all the functions of Masters.

The Chief Justice—I do not know that there are no Masters here. There are certain functions of a Master which are performed by an officer who is called the Registrar.

Mr. Potter—He is far from being on the same footing as a Master. There are many things a Master can do that a Registrar cannot. Proceeding, Counsel said a Master could order that a judgment be entered. Regarding this procedure he submitted that what would happen in this case was that their Lordships sitting as a Full Court should refer this matter to one of the judges who sat on this bench; that he would report, and then the Full Court could decide what was to be done; or in the alternative, that the Full Court would hear the case now. The new procedure was that by the Solicitors Act of 1888, a committee of the Incorporated Law

Society had been substituted for the Master in chambers; that the Court could direct the Committee of the Incorporated Law Society in the first instance, and then the committee reported to the High Court, and the High Court acted accordingly. This was all laid down in sections 12 and 13 of the Act. His next step was to prove to the Court that their jurisdiction in a case of this character was a disciplinary jurisdiction, and not criminal. In other words, a solicitor being an officer of the Court, the duty of the Court was to decide whether any person was a fit and proper person to continue as an officer of the Court. It did not find whether he had been guilty of a criminal offence or not: the Court was not concerned with that. It was true that charges might be made which amounted to a criminal offence, but all the Court decided was whether the Solicitor was, or was not, a fit and proper person to continue as an officer of the Court. His authority for saying that the Court's jurisdiction was disciplinary and not criminal was found in 12 Q. B. D., page 148. Their Lordships would see that the defendant in that case appealed from the decision of the Court of Appeal. The Incorporated Law Society said he could not appeal because the proceedings in the Court of Appeal had been criminal. The High Court of Appeal said they were not criminal proceedings, as the Court was only in disciplinary jurisdiction. Solicitors, as officers of the Court, were persons who were in a position of trust, and it was their Lordships' duty to see that no fit and proper person continued as an officer of the Court.

The Chief Justice said it seemed to him that there was a hiatus in the argument. The question was a technical one whether this disciplinary matter was a criminal matter or not. But to say that in any case the Court was not asked to find whether the solicitor was guilty of a criminal offence with which he was charged seemed to him to be quite another matter. How could the Court say whether a solicitor was a fit and proper person to continue on the rolls, who was charged with embezzlement, if they did not find him guilty of embezzlement.

Mr. Potter—You find certain charges have been proved, and you say whether a person should remain on the rolls. I shall prove to your Lordships by a long chain of cases that there practically never has been an instance in which the Court has refused to act, or has denied that it had jurisdiction.

The Chief Justice—All I am saying at present is that I see no relation between the two propositions.

Mr. Potter said it went to prove that the procedure in a case of this kind was purely civil procedure, and he would show their Lordships that it made a considerable difference in a case of this kind. Furthermore, suppose the Court took this standpoint: "We will not adjudicate on this case; we will see the defendant tried by a criminal jury." That would not relieve the Court from the onus of ultimately trying this case. No matter what the verdict of the jury, whether guilty or not guilty, their Lordships would be compelled to go into the case *ab initio*: to go into the merits of the case to decide whether this person was a fit and proper person to be an officer of the Court. There were cases where a jury had found a person not guilty, where the Court had struck him off the rolls. Then there were cases where juries had found a man guilty, and the Court had refused to interfere, remarking that he had been punished enough.

The Chief Justice—The procedure which you are referring to is quite well known. It obtains in the Civil Service where a civil servant's acquittal in Court does not prevent the Governor-in-Executive-Council from dismissing him.

Mr. Potter said his next point was to prove to their Lordships beyond any doubt that the Court would never hold itself, not although a charge of a criminal nature was made against a defendant, and although the defendant did not admit the truth of that charge. The cases for the last fifty years were absolutely conclusive in proof that although a criminal charge was imputed to a defendant, and although the defendant denied that charge, still the Court in the exercise of its disciplinary jurisdiction, would investigate it. No suggestion of

sending the defendant to a criminal jury could be listened to.

The Chief Justice—In the first two cases you pointed out that the proceedings were disciplinary, not criminal. You now point out that the evidence in two cases might not be the same, and the suggestion occurs to one that evidence would be admissible in disciplinary proceedings which would not be admissible in criminal proceedings.

Mr. Potter—I was going to deal with that point.

The Chief Justice—Unless you have very strong authorities, I don't think that that will hold water. The admission of books is allowed in certain circumstances under the Evidence Ordinance in civil proceedings. I doubt very much whether disciplinary proceedings are civil proceedings for the purpose of that Ordinance.

Mr. Potter—I think it is evident from these two cases that the procedure is purely a civil procedure. If this is not a jurisdiction in a criminal case or matter, evidence cannot be of a criminal character, and the rules of evidence cannot be such as apply in a criminal court. It is simply a case where you are the master and he is a servant. The whole procedure is absolutely the same as in the conducting of a civil case.

The Chief Justice—The argument seems to me to be still as strong. Supposing, in interpreting the Evidence which begins "In all Civil proceedings", the Court said, "this is not a civil proceeding, it is a disciplinary proceeding"?

Mr. Potter—My answer would be, this is not a criminal proceeding, and if not criminal, what it is?

The Chief Justice—Disciplinary.

Mr. Potter—If the Court is not exercising criminal jurisdiction, then I submit it must be civil. Cases are arranged into two classes; one set in which you can appeal, and one set in which you cannot. As I have said, the person whom we may call the plaintiff can take one of two cases. He can come either to your Lordships' Court, or else he can go direct to the criminal court. But my submission is that your Lordships cannot compel the plaintiff to take on himself the guise of prosecutor. You cannot compel him to bear a greater onus than he otherwise would bear by sending the defendant to the Criminal Court. He wishes to come to this Court and your Lordships have jurisdiction in the matter. That jurisdiction has been exercised for the last fifty years in the High Court at home. Another point is that one of the principal witnesses in this case, the managing partner of a very important firm in Canton, is resident outside the jurisdiction. Now, supposing your Lordships had the power in this case to compel the plaintiff to become the prosecutor, we have no power, and the Court has no power, to compel the attendance of this vital witness to give evidence in the criminal court.

The Chief Justice—If he'd come for one, he'd come for the other.

Mr. Potter said he would probably agree to come before the civil court, but he would do no more, as it would mean so many attendances. It was quite conceivable that by sending the case to the criminal court their Lordships would be putting a greater onus on the plaintiff. It might be putting him in a position in which he could not lay the case properly before a jury, and Counsel submitted that the Court would be inflicting a very great hardship upon him. Supposing the plaintiff would not prosecute, and that was the aspect of the case which was to be considered, there would be the extraordinary position that although there were indictable charges on the affidavit the solicitor could not be struck off the rolls because the High Court refused to exercise its jurisdiction. That would be an absolutely anomalous position.

The Chief Justice—The Attorney-General can prosecute.

Mr. Potter—Then we would have the difficulty of getting the material witnesses, which would be compelling us to come into Court with an imperfect case.

The Chief Justice—Why should it be imperfect? I don't think the hardship on either side goes for much.

Mr. Potter—The Courts have never considered the point of view your Lordship refers to.

The Chief Justice—I am not saying your argument on the authorities is not strong.

Mr. Pottar—What I say is that Courts have never considered that point which your Lordship is trying to consider. They have always considered the defendant as an officer of the Court.

The Chief Justice—I can appreciate all that.

Mr. Pottar—Judges in other cases say, "His conduct has been such as will justify us in striking him off the rolls." They do not say, "This man has been found guilty of embezzlement."

The Chief Justice—If a man is guilty of embezzlement and struck off the rolls on that account, it means to say he is guilty of embezzlement. Although a charge of embezzlement may be actually made, circumstances may fall short of that that will warrant him being struck off the rolls.

Mr. Potter—I submit the Court must be bound by the cases quoted.

The Chief Justice—Supposing the facts were so much in conflict that the Court felt that the only proper way would be to send the man to the jury. What would then be done?

Mr. Potter—If the charges are not brought home against the man what happens is that he is not struck off the roll.

The Chief Justice—It is not a question of the case being brought home, but of the case being so doubtful that we think it ought to be brought home.

Mr. Potter—The Court, as I have told your Lordships, refers this matter to a Master, and the object in referring it to a Master is that it should be investigated outside a public court; not where, if the charges are not proved against him, the man is still ruined because his character has been besmirched. The case is heard in a Master's Chambers so that if the court see they are not justified in striking him off the rolls, the defendant's good name and fame does not suffer. I propose that the case should be tried in accordance with the old procedure.

The Chief Justice—By hearing witnesses.

Mr. Potter—It is certain your Lordship can act in accordance with the old procedure. The case could be heard by one of your Lordships, who could report to the Full Court, or else it can be heard by the Full Court.

The Chief Justice—Directly you admit that the Court has to sit and hear this case, does not it follow that it might call in the assistance of a jury?

Mr. Potter—No, my Lord.

The Chief Justice—I want to see how far you go. Your contention has been against criminal proceedings.

Mr. Potter—Your jurisdiction is as between master and servant. The Court is the best judge to consider whether a person is a fit and proper person to continue one of its officers.

The Chief Justice—The question is whether a crime has been committed.

Mr. Potter—With great respect, that is not the question.

The Chief Justice—I want to know in the abstract, why shouldn't we call in a jury?

Mr. Potter—Your Lordships' jurisdiction is simply disciplinary. There can be no one better able to consider whether a person is a fit and proper person to be one of its officers than the Court itself.

The Chief Justice—That is a subsequent question; the previous one is whether the charge is proved.

Mr. Potter—It has never been suggested.

The Chief Justice—I am only asking you whether it could not be.

Mr. Potter—I don't think it could. When a man comes before you and makes a complaint, you cannot compel him to adopt different procedure. The law is laid down absolutely that it is the duty of the Court to hear such cases, no matter whether they are indictable offences or not.

Mr. Calthrop said their Lordships must notice first with regard to this case that it was a matter which had been brought before the Court by private persons in their private capacity, and not in accordance with usual proceedings in England where it was brought by an independent person acting for the good of the profession in general, as for instance, the Incorporated Law Society. Some years ago the Privy Council had to deal with the case of a solicitor or barrister who had been struck off the rolls of a colonial court—the Gold Coast Court. In that case the Privy Council gave as an expression of their opinion

of the undesirability of the proceedings being conducted by an interested person, and suggested that the proper person to take proceedings of such a description would be some independent person in an official capacity, as for instance, the Attorney-General of the Colony.

The Chief Justice—There is nothing to prevent an ordinary person from applying to the Court to have anyone struck off the rolls.

Mr. Calthrop admitted that there was not, but stated that as a matter of fact counsel always appeared on behalf of the Incorporated Law Society as well. It was advisable that proceedings of such a nature should be taken by independent persons, and not by the aggrieved party. Regarding the question as to whether this was a case which the present Court ought to try; he submitted that the only cases in which a solicitor was charged with a criminal offence, which the court could deal with in its summary jurisdiction, were firstly, cases in which a solicitor had already been before the criminal court; and secondly, cases in which, after a solicitor had been called upon to show cause, he had neglected to show cause or admitted the offence. The same principle held good now, although the procedure was different. And although every year one saw cases reported in newspapers in which solicitors were struck off the rolls, nevertheless it was always noticeable that when a man had been struck off on the ground of committing a criminal offence, it was always after conviction.

The Chief Justice—What is your authority?

Mr. Potter—My friend can hardly cite the newspapers.

Mr. Calthrop—There are none the other way.

Mr. Potter—My only objection is that my friend objected to a newspaper report which I had in black and white, and now he says he is going to rely on the newspapers.

At this stage the Court adjourned for tiffin, resuming at 2 p.m.

The Chief Justice said he thought it would simplify matters if he stated once more what the real difficulty was. A great deal of emphasis had been laid on criminal proceedings. The difficulty the Court felt was, where the facts were disputed, whether that should not be decided by a jury. He was not emphasising the fact of criminal proceedings.

Mr. Potter said he would deal with the point in his reply.

Mr. Calthrop remarked that, if their Lordships went through each of the five cases quoted by Mr. Potter, they would find in everyone of them that the facts amounted to an admission that the defendant had been guilty of such misconduct as would entitle the court to exercise summary jurisdiction. When a man had any complaint as to the conduct of a solicitor, even though that complaint involved a criminal charge, he could fill an affidavit and move the Court that the solicitor should show cause. But when the Court found there was an answer to a criminal charge they would not deal with it themselves, but have the case tried by a jury as in other criminal charges. There was good reason for their Lordships to say that this case was one which ought to be submitted to a jury. Their Lordships knew that when proceedings were taken against a person, and it appeared on the statement of the plaintiff that a felony had been committed, the practice of the Courts was to say that the plaintiff should not proceed with the case until he had first prosecuted for felony.

The Puisne Judge—Is that modern doctrine?

Mr. Calthrop—It depends on circumstances.

The Chief Justice—My impression is that all cases are negative. This is a case in which the rule won't apply; what the rule is, nobody knows.

Mr. Calthrop—I will admit there is a conflict on the matter.

The Chief Justice—I don't think you will find a single case in which the principle has ever been acted on.

Mr. Calthrop—I can cite a case at once.

The Chief Justice—A civil case stopped for a criminal case to go on?

The Puisne Judge—That was a long time ago.

Mr. Calthrop—About forty years ago. Proceeding Counsel submitted that this was a case which ought to go before a jury and not be left to be tried on affidavits. In common fairness

to the defendant he should have an issue of fact of this description left to a jury.

The Puisne Judge—On the charges in the affidavit is a charge of borrowing money from a Chinese client during the progress of an action, which he was conducting on behalf of that client. That of course would not be a criminal charge.

Mr. Potter agreed, and remarked that when the evidence was heard there might be a considerable amount which would not be in any way criminal in its nature, but which might justify the Court in suspending the defendant or striking him off the rolls. Mr. Calthrop had stated that there were admissions in the cases which the speaker quoted, but he would go through them one by one and show that each case was absolutely denied. His friend had suggested that the Court had full power to grant a rule nisi, but that it could go no further. Mr. Calthrop, however, had not cited any authority, for the very good reason that he could not. The practice was that a rule nisi was granted where a criminal charge was made against a defendant.

The Chief Justice remarked that he came into Court that morning very much impressed with the necessity of a case of this sort going before a jury, but if one worried it out a little bit further he saw that the question was not really the fact that the man was entitled to conviction or acquittal by jury, but that he should have a jury in order to ascertain the facts, because trial by jury was allowed in order to enable facts to be ascertained by seven here and twelve men at home, rather than ascertain the facts by one man. He thought therefore that it was for the ascertainment of facts that a jury would be necessary, if absolutely compulsory. He admitted that the dicta of C. J. Cockburn and Justice Blackburn were exceedingly strong, and entirely agreed with what he had in his own mind. He could well understand a case where a difficult and complicated question of facts should be decided by a jury, but in this Colony it seemed perfectly clear that the tribunal which must try this case was the Supreme Court. There was no person who could stand in the place of the Master, nor anybody who could stand in the place of the Incorporated Law Society; therefore this was the Court, whether it be a judge sitting by himself or the Full Court, in which disciplinary measures against a solicitor must be taken, and with the constitution of the Court came power to summon a jury—that was to say, supposing a question arose of such a complicated nature that it would be only fair that it should be tried by jury. Then his Lordship would have little hesitation in giving expression to his views, which were supported by Justices Cockburn and Blackburn. He agreed that this disciplinary power having been vested in the Court, they could not refuse to hear a case when it was put before them and a rule nisi granted. Therefore he thought the case should be heard before the Full Court.

The Puisne Judge said he agreed with the Chief Justice.

SECOND DAY.

Mr. Potter, in opening, said that this was an application on behalf of Mr. John Hastings, solicitor, practising in Hongkong, senior partner in the firm of Messrs. Hastings and Hastings, that Mr. Clive Fletcher Dixon should be struck off the roll of solicitors practising before this Honourable Court, on the ground that he had been guilty of gross misconduct in his capacity as a solicitor.

The Puisne Judge—Gross misconduct?

Mr. Potter—Yes, my Lord. Before dealing with the charges.

Mr. Calthrop—Might I suggest that the charges should be specifically formulated. I understand there are three charges of embezzlement, and they are not set out in the motion.

Mr. Potter—After a few further words I come to them.

Mr. Calthrop—I want to know which one Messrs. Hastings and Hastings are relying on?

Mr. Potter—They are relying on the three. Before going into them I would just like to very shortly sketch Mr. Dixon's connection with the firm of Messrs. Hastings and Hastings.

The Chief Justice—I think we ought to know the know the charges first.

Mr. Potter—As your Lordship pleases. The charges are three in number. A witness named

Wong Hiu Tung will prove that on July 23rd, 1908, he paid the sum of \$500 to Mr. Dixon for costs, that that sum was never credited to the firm of Messrs. Hastings and Hastings, and that, in fact, they never received that sum. Mr. Wong Hiu Tung will also prove—

Mr. Calthrop—Mr. Dixon is fighting for his professional existence. We want the charges formulated.

Mr. Potter—They will be formulated. I want to help you in every way I can. Another charge is that during the continuance of an action Mr. Dixon borrowed various sum of money from Wong Hiu Tung amounting in all to \$750.

The Chief Justice—Was that man a client of the firm's?

Mr. Potter—He was a client of Messrs. Hastings and Hastings, and Mr. Dixon had the conduct of his action. The name of the action is Kwong Hing Cheung against Reuter, Brockelmann and Co. At the conclusion of that action there was a sum of \$10,800 odd due to Mr. Wong Hiu Tung's firm from the defendants as costs, and Mr. Dixon suggested that if he handed over this amount in full to Mr. Wong, that he, Mr. Wong, should give Mr. Dixon \$1,000 for his own use.

Mr. Calthrop—This point has never been raised before, and there is no evidence of it. Mr. Wong Hiu Tung made an affidavit, and the only charge he put in it was the embezzlement of \$500. If he is going to make another charge he should make a further affidavit.

The Puisne Judge—What is the procedure in the Solicitors' Act of 1888 before the Committee of the Law Society?

Mr. Calthrop—The regulations, I think, were passed in May 1898, and they appear in the last number of the *Law Times*. They set out that an affidavit should contain specifically the charges.

The Chief Justice—The procedure, to my mind, should follow as nearly as possible the procedure adopted in dismissing civil servants before the Executive Council. I don't think it is necessary to include everything in the affidavit, but I think the charges should be definitely formulated.

Mr. Potter—There is no suggestion here at all that in a proceeding before a committee of the Law Society that all these charges should be specifically set out in the affidavit. In fact, one of the rules says that it is only in a case where a solicitor does not appear, and the committee decide to go on in his absence, that they shall insist on all the charges being set out on affidavit. There is no suggestion that every specific charge be set out.

The Chief Justice—We don't say they should be set out on affidavit, but the charges must be formulated. Affidavits were only required to get the rule nisi. Now we come to the trial we must have definite charges.

Mr. Potter—We have a definite charge. I am formulating it now.

The Chief Justice—You were mentioning a charge which does not appear on the affidavits, and of course Mr. Calthrop takes the point that he wants it formulated.

Mr. Potter—I am formulating it. This charge is that when this action had been finished there was due to Mr. Wong's firm a sum of \$10,800, costs from the defendants, and that Mr. Dixon suggested that if he paid over that amount in full to Mr. Wong's firm, Mr. Wong should give him \$1,000 for himself.

The Puisne Judge—As to the second charge you have formulated about various sums being borrowed, are those sums alleged to be repaid or not?

Mr. Potter—The defendant has not alleged that they have ever been repaid.

Mr. Calthrop—He denies that he ever borrowed them. I have got a reference to the latest rules—

Mr. Potter—Is this the *Law Times* newspaper you are quoting?

The Chief Justice—He is not quoting it for decided cases, but for published rules.

Mr. Calthrop—Here are the rules set out. If my learned friend does not trust me I will hand them up to your Lordships. They show that the affidavit making the charge must set out the definite charges with particulars. When this motion was filed the affidavits filed in support ought to have set out those charges with material proofs at the time. Now other charges are brought against the defendant.

The Chief Justice—You must make the most of the point you can. We will note the objection.

The Puisne Judge—We are not going to allow you to be prejudiced in any way by the charge being brought later. If you want an adjournment you can have it.

The Chief Justice—I am bound to say that I think the charges ought to be definitely formulated before coming to Court.

Mr. Potter—I shall bow to any suggestions of your Lordship and like that point immediately. I do not want to do anything that might be construed into unfairness. Proceeding, Mr. Potter said the next charge was that on January 8th of this year one, Wan Hi, engaged Messrs. Hastings and Hastings to act on behalf of a friend of his in a Police Court case, and Wan Hi agreed to pay \$50 for costs. He first paid \$30 to Mr. Dixon, who was instructed in the matter, and this was duly credited as being a payment on account. On the 13th or 14th January Wan Hi paid to Mr. Dixon the remaining \$20. This was never credited by Mr. Dixon, and was never received by the firm of Messrs. Hastings and Hastings. The next charge was that in January Mr. Dixon was engaged by one, Gulab, in a case, and on 27th January Gulab paid to the defendant on account of Messrs. Hastings and Hastings' costs the sum of \$40. Only \$30 of this amount was credited. These were the charges Counsel now wished to revert back and tell their Lordships how Mr. Dixon came to join the firm of Messrs. Hastings. Mr. Dixon came out to this Colony in October of 1904, and joined the firm of Messrs. Hastings and Hastings as assistant solicitor. He showed considerable ability in the conduct of cases with which he was entrusted, and as far as Mr. Hastings could see he was a capable and trustworthy man. And to show their Lordships that Mr. Dixon's merit was fully recognised by the firm of Messrs. Hastings and Hastings, and that they looked upon him as a valuable man, he would call the Court's attention to an agreement made on the 15th day of April 1907 between the firm of Messrs. Hastings and Hastings and Mr. Dixon. By that agreement the said firm engaged to keep Mr. Dixon for an additional period of five years from 1907 as managing clerk, and at the end of that time they promised that they would give him a partnership.

The Puisne Judge—That is in the agreement, is it?

Mr. Potter said it was, and remarked that their Lordships would readily see that Mr. Dixon was a man whom Mr. Hastings could have had no desire to get rid of. And the Court would more readily recognise that fact when Counsel told their Lordships that it was Mr. John Hastings' intention to leave this Colony at the end of this year, at any rate for sometime, and that he hoped, and that in fact he relied upon Mr. Dixon to at any rate partly step into his position, and to be of every assistance to the firm of Messrs. Hastings and Hastings when the senior partner had left the Colony. Their Lordships would see, from what he had said, that Mr. Dixon was a valuable man to the firm. Counsel proceeded to tell the Court of the procedure in the office of Messrs. Hastings and Hastings with regard to money received and business done. It was a rule, a rigid rule, but it might have been broken at times that when money was paid to any person in the office a receipt should be given to the client for that amount, and an entry should be made by the solicitor who received the money in the rough cash book. The solicitor should also make entries in his diary of every transaction. And when an entry of money received was made in the rough cash book, the money was handed over to the cashier, who paid it into the bank. The reason why a solicitor should be scrupulously exact about entries in his diary was that these entries would afterwards go to make up the bill of costs to be sent to the client. That brought him to February 2nd of this year, the day on which Mr. John Hastings had a conversation with his present interpreter, and with an interpreter who had lately been in his employment. As a result of these conversations Mr. Hastings discovered that so far from Mr. Dixon being a good and faithful servant to the firm, and so far from being an absolutely trustworthy person, he had on the occasions mentioned taken these sums of money which were paid by clients to the firm, and had

also borrowed monies and made the requests mentioned. While on this point he wished to say that all this evidence had been obtained absolutely independently of any employee of the firm of Messrs. Hastings and Hastings. Only in only one case did Mr. Hastings invoke outside aid, and in that case one of the inspectors, of the Hongkong Police brought him in touch with Wan Hi. The charges to be supported by the evidence of Wong Hiu Tung were of a very serious character, and Mr. Wong was an independent person and an independent witness who resided in Canton and was the managing partner of a wealthy and influential firm of silk merchants. Apparently there was no reason why he should have any motive to come to the Court and swear that which was false in order to ruin Mr. Dixon. Mr. Dixon had just conducted for him, and conducted most successfully, an important action, so that, rather than owe Mr. Dixon a grudge, he owed him a debt of gratitude. And yet he was prepared to depose to the facts placed before their Lordships. Wan Hi was the manager of a fruit store in Hongkong, while Gulab was an ex-Gemidar of the Hongkong Police. Their Lordships would see that there was no possibility of any collusion between these witnesses. That brought him to the 26th March this year, when Mr. John Hastings had an interview with Mr. Dixon on this matter. At the time he had this interview, Mr. Hastings was not aware of the charges that would be made by Wong Hiu Tung, the gentleman from Canton. At the interview mentioned Mr. Hastings said to Mr. Dixon that it had been reported to him by Hung Kam Ning, the late interpreter of Messrs. Hastings and Hastings, that Mr. Dixon had been in the habit of receiving monies from clients for costs, of paying portion to the office and of keeping portion for himself. This was done usually in Police Court cases, or in cases in which the client paid the money direct in cash. Mr. Hastings also said he had made independent inquiries, and that he had obtained evidence which satisfied him that the charges were true. Mr. Dixon replied, and the speaker was giving his exact words, "It is not true." Mr. Dixon then left the room, and he had not been gone for more than a minute when Mr. Hastings called him back and said in effect, "I have sufficient evidence to prosecute you, but I have no wish to do so, and I want you to go away, for I cannot keep you in my office. Mr. Dixon said,—"I am giving his exact words,—"I admit having taken money from the office, but they were only small amounts and there were not many occasions on which I did it." Mr. Hastings said in substance it was not a question of the amount, it was a matter of principle Mr. Dixon was in a position of trust and responsibility, and that he could not keep him in his employment after this. Mr. Hastings further stated that he attributed the whole affair to Mr. Dixon's keeping bad company, and to living with a European woman who had run him into greater expense than he could afford. He further stated that Mr. Dixon had promised to give up this mode of life, but that he had not done so. Mr. Dixon said, and these were his exact words, "I might have taken thousands if I had wanted to." Mr. Hastings then had a further conversation with Mr. Dixon, in which he suggested that the latter should go away to Japan, ostensibly on a holiday, and that he should not return; in the alternative, he suggested that Mr. Dixon should go to some other place where he could practise. Mr. Dixon answered, and these were again his exact words, "I have nowhere to go; I cannot go back home as my father has already got two sons in the business." Mr. Dixon also begged Mr. Hastings to reconsider the matter, and to let him stay on, as what had occurred would be a lesson to him. That concluded the first interview. Then on March 31st Mr. Hastings wrote a letter to Mr. Dixon from which the following extracts are taken: "Referring to our interview of the 26th instant, during which you admitted to me that you had taken office monies on various occasions, though you said the amounts were small, I have considered the matter very carefully, being most anxious to do what is right both as regards yourself, and as regards this firm, and I can come to no conclusion but that you must leave this office. You are in a position of great trust

and responsibility, and it is impossible that you can be continued in such position unless this firm has complete confidence in you, which, of course, cannot be the case after what has occurred. The agreement between us must be cancelled. I do not mind you staying on a month or two to give you time to make your plans, and to see what you can do. I should be glad to know particulars of the amount you have taken from office monies, and to have the same refunded." Counsel submitted that it could hardly be said that was the letter of a vindictive man. He wanted to cover Mr. Dixon as much as possible, and to give him a chance of making more money before he went. At any rate, Mr. Hastings did not want to do anything harsh. No reply to that letter was received, and on April 2nd Mr. Hastings wrote asking Mr. Dixon to return the agreement signed. On the same day a reply was received from Messrs. Ewens and Harston, stating that they had been consulted by Mr. Dixon relative to Mr. Hastings' letter of the 31st March. Mr. Dixon had instructed them to deny the charges advanced against him, and further to inform Mr. Hastings that in view of his statement to Mr. Dixon at the interview on the 26th that Hung Kam Ning admitted that the charges were true, and that Mr. Dixon was implicated, that Mr. Harston had seen Hung and was informed by him that he had never admitted the truth of the charges, but strenuously denied them. In view of the charges brought, the letter continued. Messrs. Ewens and Harston could well understand that the relations between the plaintiff and the defendant were somewhat strained, but possibly if Mr. Harston could meet Mr. Hastings to discuss the matter, some satisfactory arrangement might be arrived at. In the meantime it was to be understood that Mr. Dixon claimed his rights were valid and subsisting. On the day he received that letter Mr. Hastings had another interview with Mr. Dixon, and Counsel would quote Mr. Hastings' exact words. "What do you mean by admitting this thing to me, and then going to a firm of solicitors and instructing them to deny it?" Mr. Dixon replied, "I must deny it, or I shall go under altogether." Mr. Hastings told him that there was no necessity to go under altogether, as there were other places in the world besides Hongkong. Mr. Dixon then asked Mr. Hastings if he would let him practice in Hongkong, but that Mr. Hastings absolutely refused to do. That ended the second and last interview. He did not know what the defence would be. He did not know how the defendant would be able to get over the difficulty created by his own language at those interviews, but he gathered that the defence would be a total denial that he ever used those words which meant that Mr. Hastings had invented those conversations and invented them with a marvellous particularity for instance, that one in which Mr. Dixon said that he could not go home to his father who had already two sons in the office. Mr. Hastings did not know that Mr. Dixon had two brothers, so that those conversations are either true or are inventions. He would ask their Lordships, after hearing the evidence of witnesses and hearing the defendant's explanation as to those charges, to say that the charges were true and that however painful it might be to their Lordships, they would have to decide what punishment was sufficient in a case of this kind.

Mr. John Hastings, senior partner in the firm of Hastings and Hastings, was then called. He said Mr. Dixon joined their firm in 1904 as an assistant solicitor. On April 5th, 1907 they entered into another agreement with Mr. Dixon whereby he was to continue in their employment for another five years at the end of which term he was to be offered a partnership. He was a very valuable man and the firm had no desire to get rid of him. On the contrary, they expected that he would be of great service to the firm when witness took his departure from the colony. Witness detailed the procedure in the office for dealing with receipts, and spoke to interviews which he had with his present interpreter and a former interpreter, in consequence of which conversations he applied to Detective Insp. Hanson to make certain inquiries in the case of Wong Hee. Witness mentioned how he came into contact with Wong Hui Tung,

which was in connection with the action taken by the Kwong Hung Cheong firm against Renter, Brockelmann and Company. Mr. Wong Hui Tung came to see witness about the costs. As to Gulab, witness ascertained the facts for himself. On the 26th March he had an interview with Mr. Dixon, to whom he stated that it had been reported to him that Mr. Dixon had been in the habit of receiving money for costs from clients and paying a portion to the office and keeping a portion to himself. Witness added that he was informed this had been done generally in Police Court cases or cases in which Mr. Dixon had received money in cash from clients. He told defendant that he had made independent inquiries on the matter and had obtained evidence which satisfied him that the information given was true. Mr. Dixon said it was not so, and left the room and almost immediately witness called him back and told him he had evidence in his possession on which he could prosecute him, but he did not wish to do so. He would like him to go away as it was impossible he could keep him in the office. Mr. Dixon then admitted having taken money from the office, but the amounts were small and the occasions were not many. Witness said the amount was not the question, it was a matter of principle. He was in a position of trust and witness said he could not see how it was possible to keep him in the office. Witness suggested he should go away and practise somewhere else, to which he replied that he had no place to go. He could not go home because his father had two sons in the business. Witness did not know that Mr. Dixon had two brothers. He suggested other places to which he could go, and attributed what had happened to the fact that he was living with a European woman which would run him into more expense than he could afford. Mr. Dixon said it did not, and witness added that his brother had spoken to Mr. Dixon on the subject and the latter promised then to give up that mode of life. Mr. Dixon begged to be given another chance and said that what had occurred would be lesson to him. He said also that he could have taken thousands if he had wished. He begged witness to reconsider the matter and write to his brother. Witness replied that he had already written to his brother. He was certain Mr. Dixon made those admissions. On March 31st he wrote a letter to Mr. Dixon and not having received a reply he wrote another on April 2nd. To the latter he received a reply from Messrs. Ewens and Harston, and on receipt he called Mr. Dixon into his room, and asked him "What do you mean by admitting this thing to me and instructing a firm of solicitors to deny it?" Mr. Dixon said—"I must deny it or go under altogether." Witness replied—"Why should you go under altogether? Hongkong is not the only place in the world, and you can make your living anywhere. If you wish to fight we must fight." He said—"I don't want to fight, will you consent to my practising here as a solicitor?" Witness replied—"Certainly not." He said—"I will undertake not to take away your clients from you or some words to that effect. Witness said—"Certainly not."

Had you any wish to fight Mr. Dixon, in this case.—No. You had no motive to attempt to ruin him or get rid of him? None whatever. He was a most useful man in my office.

Cross-examined—When his interpreter spoke to him on the first occasion he did not specify any particular item. He said that he got his information, with the exception of one case from Hun Kum Ning. Witness told counsel that he obtained evidence through Mr. Hansen with regard to a certain other case. There was no one present but Mr. Dixon and himself at the interview.

Why didn't you take the precaution to have a third party present at the interview at which you were going to charge him with embezzlement?—I didn't think it necessary.

You make a serious accusation against a young man which will ruin him although you had seven weeks to consider the matter, and yet you did not call in an independent witness?—I didn't think it necessary.

Isn't it usual when a person is charged with being guilty of embezzlement that the person should make a statement?—I suppose sometimes they make statements and sometimes they don't. There is no "usual" about it.

It would be advisable to have an independent person to corroborate the statement? It would have been advisable. I would have been glad if a third person had been present.

If you had been advising a client in these circumstances wouldn't you tell him to be sure and have a third party present at the interview?—I don't think so.

At the interview with Mr. Dixon you told him you had caused independent inquiries to be made. I presume you meant the inquiries by Mr. Hansen? Yes and my own, I meant inquiries independent of my Chinese staff.

Did you take any note of this interview with Mr. Dixon?—I wrote to my brother about it.

Did you keep a copy of that letter?—I did. It sets forth what you say took place?—It gives an account.

It gives a summary?—Yes.

The letter was put in and read.

Although you did not specify any particular case of embezzlement you say he admitted it.—Yes.

Did you ask him to give instances?—I did not.

The cross-examination of Mr. John Hastings was continued after the tiffin adjournment.

You did not think it advisable to call a third person in to be present at your interview with Mr. Dixon?—The matter was between him and me.

Did you make any answer to this letter of Ewens and Harston?—I instructed Mr. Wilkinson, my solicitor, to see Mr. Harston and to explain the facts to him fully immediately I received that letter.

You see by that letter that Mr. Dixon was quite willing you should bring a criminal charge?—The letter speaks for itself.

Although he was charged with this offence you did not think of suspending him until April 30th?—Immediately after this letter was written, Mr. Harston suggested that this matter should be referred to arbitration. We said we were willing to submit it. An agreement was prepared for arbitration, and negotiations for that agreement went on for many weeks. That is the reason why no steps were taken while negotiations were pending.

I put it to you that while these negotiations were pending you wrote the letter of April 3rd?—I stated that no proceedings were taken while negotiations were pending.

This is the letter you wrote: "The situation is becoming too strained. We have had several complaints during the last few days both from out clerks and from clients with regard to your conduct of business and towards clients, and we are convinced that our business is suffering damage in consequence. We have therefore determined to suspend you from office, and we accordingly do so from this date until the matter is investigated by the Chief Justice and a decision given." With regard to that letter you say that Mr. Dixon's conduct to clients made your business suffer. Can you give the names of any clients who complained anything he had done?—I can.

Who were these clients?—I myself heard Mr. Dixon speaking very roughly indeed to a Chinese client, and the client subsequently came to my room and asked me to take the case out of Mr. Dixon's hands because Mr. Dixon had spoken so rudely and roughly to him, and to attend to the matter myself, which I did.

What was the name of that client?—Lai Hung Sheung. I think that is the Chinese name. He is a junk owner, and lives at Shauiwan.

Did any other client complain?—No.

Your letter said you had had several complaints both from your clerks and from clients, that is plural. So there was only one client?—One client.

Why did you write clients?—Two men came to complain.

Two clients?—A client and a man who was with him.

Did they complain direct to you?—They did.

You know that Mr. Dixon wrote you a letter in answer to yours of the 30th?—I do.

[Mr. Dixon's letter stated, "My conduct of business and manner towards clients during the last few days has been the same as it has always been. I do not admit that you were justified in suspending me, and reserve my full legal right."]

After he denied the allegation regarding his conduct and manner towards clients, did you

point out to him who had complained?—It was not necessary for me to point out anything to him. I knew who had complained.

Do you suggest that that was your reason for suspending Mr. Dixon?—One of my reasons. There is another given in the letter if you read it.

What other reason?—That the situation was becoming too strained. I could not have the man in my office. I was content to have him for a short time if the matter was disposed of quickly. But he or his solicitor were causing such delays over the matter that I did not want him any longer. If the arbitration had taken place quickly I was prepared to keep him until it was finished. But it was delayed until I got perfectly sick of it.

You say the delay was due to Mr. Harston?—To Mr. Harston or his client, I don't know which. I only know they delayed the matter all they possibly could.

The Chief Justice—You don't mean to make a charge of deliberate delay against a solicitor?

Witness—No. I only know there was delay, but I have no idea whose fault it was.

Mr. Calthrop—You say it was not your fault?—I do.

Now I will read you a letter written by Mr. Wilkinson only four days previously. On April 26th Mr. Wilkinson, on your behalf, wrote to Mr. Harston—"I send you herewith for consideration and approval of yourself, Gedge and Dixon, draft agreement to refer to arbitration." That is to say, Mr. Wilkinson, acting on your behalf, did not send the draft agreement until April 26th, and yet you complained on April 30th of delay. Have you any explanation?—There was no delay on our part.

You charge Mr. Harston or Mr. Dixon with delay?—The delay was after April 30th.

How long were you preparing that draft agreement?—The delay was caused by the absence of Wan Hi in the country, and we could not go on with the arbitration until his return.

Did you say you wrote that letter in consequence of delay caused by my clients?—I have said nothing of the kind.

You charge us with delay. You said you were tired of the delay, and therefore wrote that letter. Now, when did we delay?—After April 30th.

Is it true, then, that the reason of the delay was because you had not your witnesses?—That was why the agreement was not sent to them more promptly in the first instance.

When the money was paid to Wong Hin Tung about the middle of April didn't you see him with Mr. Dixon?—I may have seen him.

Did you make a note your diary?—I may have done.

Did you at that time produce the accounts?—The accounts were made up by Mr. Dixon.

Mr. Calthrop said he wished to ask whether Messrs. Hastings and Hastings had had time to procure him particulars of the third charge.

The Chief Justice—Let that stand over until to-morrow morning.

The Chief Justice later remarked that he did not think that the charge with regard to the \$1,000 should be gone on with. It was very vague indeed.

Mr. Potter agreed, and the charge was struck out.

THIRD DAY.

Mr. John Hastings, recalled, was further cross-examined. He produced the receipt for the cheque in the Reuter, Brockelmann case. This was the receipt given by Wong Hin Tung for \$10,000 paid him on April 5th. He made an entry in his diary of an interview with Wong on April 14th and 15th. These entries were reproduced in his bill of costs. He saw Mr. Wong on the 14th once, and once on the 15th. When witness saw Wong on the 14th the question arose as to amount of detailed account of costs.

The Chief Justice—I suppose your contention is that the balance due to the Kwong Hing Cheung firm would have been \$10,800 if this \$500 alleged to be paid to Mr. Dixon had been included?—Yes.

The Chief Justice—That means that on the credit side there should have been another item of \$500?—Yes.

The Chief Justice—What was the date of this alleged payment to Mr. Dixon?—July 23rd.

The Chief Justice—Have all those payments on the credit side been received by Mr. Dixon?

Mr. Calthrop—Mr. Wong Hin Tung has made an affidavit with regard to this matter. Mr. Hastings was away at the time.

Mr. Hastings I cannot speak from my own knowledge.

The Puisne Judge—In the ordinary course who received payments?

Witness—The solicitor in charge.

Mr. Calthrop—On April 15th when you saw Wong Hin Tung did he complain of this \$500?—Not to me.

But he did complain about the amount of the solicitor and client cost?—What happened on that occasion was that Wong came in and asked for a detailed account to be made out. Witness spoke to Mr. Dixon and told him that if Wong wanted a detailed account he must have it.

In your interview of March 26th did you not refer to the fact that Mr. Dixon was living with a European woman?—I did.

Did you make any complaint to Mr. Dixon before March 26th?—I did not, but I wrote to my brother and asked him to complain most strongly to Mr. Dixon.

The Chief Justice—That does not prove that the complaint was made to Mr. Dixon.

You are head of the firm?—Yes.

As head of the firm, if you objected why didn't you communicate direct with Mr. Dixon?—I wrote to my brother and requested him to point out very strongly to Mr. Dixon that I objected to him leading this mode of life, and that if he continued to do so we should have to reconsider our arrangements as to leaving him in charge of the business.

What arrangements about leaving him in charge?—It was possible in case of my brother and myself both being absent that we should have to leave Mr. Dixon in charge.

Then there were not any arrangements?—No. You arrived here in October last?—Yes.

Did you make any complaint when you saw Mr. Dixon?—I did not. I thought the matter was finished because my brother had informed me that Mr. Dixon promised him to give up that mode of life.

Did you ever suggest to Mr. Dixon that such conduct on his part would entitle you to put an end to the agreement of 1907?—I never spoke to him about it before March 26th.

Do you suggest that it would entitle you to put an end to that agreement?—That is a matter of law which I am not prepared to give an opinion upon at the present time.

Have you ever contended that it would entitle you to put an end to that agreement?—What do you mean by contended?

Put it forward as a right which you had?—It was put forward in the letter in which we discharged him as one of the grounds of the discharge, but only one.

Was this matter set out as a ground in the matters for arbitration?—It was proposed to be but the other side refused to agree to it.

The agreement recited charges of embezzlement as well?—Charges of misappropriation of monies.

Did you think that if you could not substantiate the charges of misappropriation you might be able to put an end to the agreement on the ground of his misconduct with this woman?—I propose to bring evidence on all those matters.

I put it to you that you did that so that if the charges of misappropriation failed the other charge might succeed: you might get rid of him that way?—I did not do it for that purpose.

Then why did you put it in?—Because I wished to put the whole of the evidence before the arbitrator and let him be in possession of the facts of the matter.

Do you suggest that the fact of a clerk keeping a woman is a ground for an employer to dismiss him?—I have already stated that that is a question of law.

Do you think it is a doubtful point of law?

The Chief Justice—The questions you have put now are fair, and you have laid the foundations for what you have got to say hereafter.

Mr. Potter—I was afraid they were attempting to lay the foundations for something else.

Mr. Calthrop—Have you known any instance in this Colony of anyone on a three years'

agreement being dismissed before the time on such grounds?—Not to my knowledge.

Do you look upon it as a stigma on a man?

The Chief Justice—I don't want to interrupt you, but the introduction of this question into the proposed arbitration agreement is, I suppose, based on the fact as Mr. Hastings has already put it before us, the breach of promise.

Mr. Calthrop—Then it ought to have been incorporated in the agreement.

The Chief Justice—You don't follow me. I understand if this matter had come before the arbitration it would have been brought as a breach of promise.

The Puisne Judge—When this letter was sent by you to Mr. George Hastings had the agreement promising an eventual partnership been signed?

Witness—It was signed before I went home. You said Mr. Dixon asked you to allow him to practise, and you refused?—I did.

Why did you refuse?—I had a right to refuse.

Were you afraid of competition with him if he practised against you?—There were clauses in his agreement forbidding him to practise.

But only if he refused a partnership?—No.

I put it to you that under the clauses of the agreement you could only prevent Mr. Dixon from practising if he refused a partnership, or having got it, dissolved it?—The first clause that has a bearing on it is clause 3, commencing "During the term of the agreement." The next clause referring to the matter is clause C, reading "After the expiration of the term of five years, etc.," and the next clause is clause 7.

If that agreement came to an end, and no partnership was entered into; although Mr. Dixon did not refuse, he could practise on his own account?—No.

Did you object to any competition?—I had a right to stop Mr. Dixon practising under the agreement.

Were you afraid of competition anywhere else?

Mr. Potter—I object. They seem to me to be fishing for information for other proceedings.

The Chief Justice did not see any reason why the witness should not answer.

Witness—No, I am not afraid of competition.

The Puisne Judge—You are standing on what you consider your legal rights?

Witness—That is so. He asked me to allow him to practise, so he must have thought he required my permission.

Mr. Calthrop—Did you send a circular round to the other solicitors in the Colony about managing clerks practising here after the termination of their agreements?—I did in October, I think.

And you were urging the solicitors not under any circumstances to allow a clerk, after the termination of his agreement, to practise in the Colony?—It was proposed that there should be an agreement among the solicitors.

Did you propose it?—Yes, after consultation with some of the other solicitors.

Then you were anxious to prevent any competition by managing clerks?—We all thought it desirable. All the solicitors agreed except one.

Who was that one?—Mr. Dennys, I think.

Do you know as a fact that Mr. Harston did not agree?—Mr. Harston said it depended on the circumstances of the case.

The Chief Justice—We are both very anxious not to check you in any way in cross-examination. We must leave it entirely to your discretion.

Mr. Calthrop—Is it not a fact that the circular was sent only three or four months ago?—I am prepared to swear it was in October or November, and not this year.

Why are you taking these proceedings?—Because I do not consider Mr. Dixon a proper person to remain on the rolls of this Court.

Are you taking these proceedings in the interests of the profession?—In the interests of the profession, and in my own interests.

Why, if it is in the interests of the profession, did you suggest that he should go and practise somewhat else?—As long as he left this Colony I did not care where he practised.

Why were you so desirous that Mr. Dixon should go away?—Because I did not think he was a desirable person to have in the Colony.

But you did not mind keeping him on for two or three months?—I did not mind keeping him on for a short time to give him time to arrange his affairs.

In your letter of March 31st you forwarded to Mr. Dixon an agreement with a memorandum of cancellation endorsed on it: why did you do this?—Because after what he had admitted to me on the 26 March I thought he would be prepared to cancel his agreement and leave the Colony.

In your letter to your brother you said, "I shall see he does not practise here"—I did.

You cancelled the agreement and wrote your brother saying you would take care he did not practise here. Was that in the interests of the profession, or in your own interest?—I intended to rely on clauses in the agreement.

Is it not a fact that these proceedings were taken in your own interests, simply because Mr. Dixon would not run away as you wanted him to?—I have said they are taken in my own interests and in the interests of the profession.

On March 26th you say he was not a desirable person to stay in the Colony: how is it you allowed him to have a joint power of attorney with yourself, given by Captain Le Peake, and to have \$65,000 put in his possession?—On or about March 26th Mr. Dixon came into my office with a man named Captain Le Peake, whom I had never seen before, and said that the Captain was desirous of giving him (Mr. Dixon) a power of attorney, to sell certain shares. I knew nothing about the matter at all, but I said that if a power of attorney was given, my name should be put in it. I understood the client wished to give the power of attorney to Mr. Dixon. I was not aware that the latter had any scrip at all in his possession, and did not know it until he left the office.

What was this power of attorney for?—To negotiate for the sale of certain shares.

Then what would be the good of a power of attorney unless you had the shares in your custody?—I did not know where the shares were.

You trusted Mr. Dixon entirely in this matter?—I did not trust him at that time.

Was it in the interest of the client that you left this matter in the hands of Mr. Dixon?—The client gave his instructions to Mr. Dixon. I could not tell him that he must not do anything of the sort, because Mr. Dixon was still in my office.

You took no steps whatever, except to have your name put in the power of attorney?—That is all I did.

You did nothing then to protect your own client, and let Mr. Dixon have that \$65,000 worth of scrip?—I had no idea what the value of the scrip was.

Did you look at the power of attorney?—I may have been shown a draft of it, but don't really remember. I don't think the shares are saleable on this market. The company is called the Messageries Cantonaise.

Were not these shares in the company running the French steamers to Canton?—I have no personal knowledge of the matter. I think it is very likely that is so.

If you have no personal knowledge, how do you know the shares are not saleable in Hongkong?—I know the name of the Company, and the shares are not quoted here. They are not in any share list in this Colony as far as I am aware.

On February 2nd you say you had an interview with Mr. Hung, your interpreter?—I did.

Did you ask Hung for any instances of the alleged embezzlement?—Mr. Hung came to me and told me that Mr. Dixon had been in the habit of obtaining costs from clients, paying portion into the office, and taking portion himself.

Answer the question first, and give explanations afterwards?—I did ask him. Hung also informed me that Mr. Dixon had been in the habit of giving him portion of the monies received.

Did he give you any instances?—He did not.

Did you ask him for any?—I did.

He refused to give you any—He did not give me any.

Why?—He said he was unable to do so, and I came to the conclusion that he did not wish to do so.

In reply to the Chief Justice, witness said that Tan Wing Kwong, his interpreter, told him that Mr. Hung had given him (the interpreter) information about the matter, and witness told the interpreter to tell Mr. Hung to come and see him.

Mr. Calthrop—Did you make an entry in your diary about this?—I did not.

Did you ask Mr. Hung later on for instances?—I did.

When?—Within the next day or two.

How many times did you ask him?—Once or twice.

Were you successful in getting information?—Mr. Hung gave me no assistance whatever.

Had he then left your employment?—Yes, he left my employment on 31st December, 1908.

Where did you see him on the first occasion?—In my office.

And on the other occasions?—In my office.

Did you send for him?—He either came or I sent for him.

Did you make any note?—Not in my diary.

Although this was the foundation of your charge you kept no note?—I did not say I did not keep a note.

When was the last date when you tried to get information from Hung?—Within two or three days of February 2nd.

Were you trying to see him after February 2nd?—No.

Did you make any effort to get into communication with him later?—I did not.

Has your interpreter been in communication with Hung?—I believe he has seen him many times: they are friends.

Was he seeing Hung on your behalf?—No.

Then why did Tam file that declaration of June 11th?—When Wong Hin Tung made his declaration in this case he said in that declaration that he had paid \$500 to Mr. Dixon on a certain date, and that Hung Kam Ning was present at the time. I told my interpreter to go and see Hung, and ask him whether this was correct or not. Tam returned to me and said Hung said it was correct.

Then you were not correct when you said Tam had never seen Hung on your instructions?—You asked me whether I had instructed Tam to see Hung with a view to getting him to give me assistance in the matter.

The Chief Justice—I took it down this way, "I have seen him many times, but not on my behalf."

Witness—I told him to go on that occasion.

Mr. Calthrop—On Saturday week you told him?—Yes.

And until I put that declaration to you you did not remember that he had gone?—No.

Why did you write that letter of 31st March?—Because Mr. Dixon asked me to reconsider the matter. I did reconsider it, and I wrote him the effect of my determination on March 31.

You don't say in your letter that Mr. Dixon asked you to reconsider it?—I did not.

At the interview of the 26th March, did you tell Mr. Dixon that he must leave?—I told him I thought it was impossible for us to keep him in the office after what had occurred.

There was no question at the interview of leaving the matter open?—He asked me to reconsider the matter, and to give him another chance.

And you refused?—No, I said I would think over the matter.

Did you tell us that before?—I don't think I mentioned it.

You were giving a detailed account: was it not most important that you should have mentioned that?—I don't think it was.

I put it to you that you never undertook to reconsider the matter?—I did not undertake anything.

When did you think over this matter?—Immediately after the interview of March 26th.

Had you made up your mind by the 31st?—Yes.

Do you suggest that Mr. Dixon did not keep his diary properly?—He did not enter in his diary two attendances at the Police Court in Wong Sui Po's case.

Do you suggest in face of that entry of the 14th, *mala fides* on the part of Mr. Dixon?—I say he did not enter these two attendances.

Do you suggest *mala fides*?—I don't know.

The Chief Justice—In view of that entry, do you suggest there is still a possibility of *mala fides* in connection with that attendance?—There is the fact that he did not make any entry of it.

The Chief Justice—It is not compulsory that the diary must be kept by Mr. Dixon in his own handwriting?—He can dictate his entries if he likes.

Mr. Calthrop—Is it not usual when a case finishes quicker than expected to take less than the price agreed upon? You can have your pound of flesh, but sometimes you can take less?—Yes.

At the interview with Mr. Dixon on March 26th, did you tell him that Hung had made a confession?—I told him what Hung had told me.

Didn't you say, "Hung has made a clean breast of it"?—I don't remember using those words.

Did you say that Hung was implicated?—I told Mr. Dixon that Mr. Hung had told me that he received portion of the monies.

Did Mr. Dixon ask you for particulars of the monies which you alleged he had taken?—I told him they would be furnished to him later.

Why didn't you supply him at that time?—Because I did not see the necessity of doing so.

At that time you had the cases of Wan Hi and Gulab?—Yes.

Why didn't you point them out to him?—Because he admitted having obtained money.

Did you call Mr. Dixon in for this interview with the idea of obtaining a confession from him?—No.

Then what did you do it for?—To put the matter to him.

If you were going to put the matter to him, did you not expect that he would make some important statement with regard to it?—I did not know what he was going to say.

You put the matter to him, and Mr. Dixon denied it and went out. Then you called him back and said you had enough evidence to prosecute him. Why did you say that if you did not want to get a confession?—I called him back to say those last words.

Is it not clear from that that you meant to get a statement out of him?—No.

Is it true you said to him at that interview on 2nd April, "Well, Dixon, are you determined to fight me"?—The words were very similar to those. As far as I remember, the words I used were, "If you wish to fight, we must fight."

Did you say, "If you won't go away, I shall ruin you"?—I did not say so.

Did you ever use the word "ruin" in the interview?—I could not be quite certain whether the word "ruin" was used in the interview.

Did you say Mr. Dixon would cut into your business if he practised here?—I might have said so.

Did he say he would not do you any harm?—I believe he did. He proposed that he should not interfere with our clients.

Did you go on to say, "What will all the other solicitors in the Colony say if I allow you to practise"?—Yes, I might have said that.

At this stage the Court adjourned for tiffin, and on resuming the cross-examination of Mr. Hastings was continued:

Since your return have you reduced your staff?—I have not reduced my staff. Two of my clerks left me, and I took others on.

Have you reduced the expenses of your staff?—Mr. Price, my shorthand writer left me. I was paying him \$220 when he left, and I have taken another man on in his place.

What are you paying the man you have taken on?—\$100 a month.

How long have you had this other man?—A few days. I have been trying to get one ever since Mr. Price left me.

Who else has left your service?—Hung Kam Ning.

What was his salary?—\$200 a month.

Have you replaced him?—Yes, I have taken on two since he left. First I took on a man called Chung.

What do you pay him?—\$75.

Who else did you take on?—Another Chinese clerk whom I pay \$20 a month.

Then you are saying roughly between \$200 and \$250?

The Chief Justice—One must not necessarily go into private details.

Mr. Calthrop—I have no desire to, but I am suggesting that there is not so much work in the office as there was sometime ago.

The Chief Justice—Don't press it.

Mr. Calthrop—When Hung left, did Mr. Dixon suggest that Lo Chi Sau should come in his place?—I believe he did.

Did you speak to Mr. Tam about it?—I did.

And didn't Tam say if Lo came he would resign?—He did, and Hung informed me on February 2nd that Lo Chi Sau was in with Mr. Dixon in this matter, and had been assisting him.

In what matter?—In the matter of misappropriation of monies.

Did you tell Mr. Dixon that Lo Chi Sau was in it? I did.

Witness was then re-examined by Mr. Potter.

I want to refer you to the letter written to your brother on March 27th. You say in one part of it, "The thing is all the more inexplicable as he says he was not hard up, as he had money in the bank at the time, and he has \$4,000 on mortgage." Did he say that? At the interview on 26th March Mr. Dixon said to me he had a balance at his bankers all the time. He did not say anything about the \$4,000 advanced on mortgage, but I knew that of my own knowledge.

You say toward the end of the letter, "I have made him pay his balance as Kwok Pui Chi's trustee in bankruptcy into the firm's clients' account."—Mr. Dixon was appointed trustee of the bankrupt's estate by the Court, and after my conversation with him on March 26th I ascertained that he had a balance in his account as such trustee of about \$1,100, and on, I believe, the 27th March, I requested him to pay that balance into the firm's clients' account, which he immediately did by drawing a cheque in favour of my firm.

A good deal has been said as to why you brought these proceedings. Have you taken any step throughout the whole course of them without consulting your solicitor? I consulted Mr. Wilkinson throughout the whole of these proceedings before I took any step whatever.

Mr. Calthrop—I put it to you that Hung Kam Ning was the foundation of your case: is that so?—Mr. Hung was only the foundation of my case in this sense: that he gave me information on 2nd February. But he gave me no further assistance whatever, and no details of his charges.

Before you entered into the new agreement with Mr. Dixon, were you aware that he was living with a European woman?—I had no idea that he was before the agreement of April 15th was entered into.

When did you first know that he was living in this way?—When I received a letter from my brother while I was at home.

Do you think it would be a good thing for a partner in the firm of Hastings and Hastings, or in any firm, to live with a European woman?—I consider it would be prejudicial to the interests of my firm, and for another thing, I think it brings a bad class of business to a firm.

Wan Hi was the next witness. He said he was the manager of the Kwong Hing Lung firm of fruit merchants. In January last when a friend of his was charged at the Police Court, witness engaged Messrs. Hastings and Hastings to act for him. Mr. Dixon was the man he saw, and it was agreed that witness should pay \$50 for the case, \$30 down, which he paid. Tam acted as interpreter. Witness asked for a receipt, but Mr. Dixon said it was not necessary as the handing over of the money was sufficient. A few days later witness paid the remaining \$20. It was just on closing time, and Mr. Dixon put the money in a drawer and went out. Witness asked for a receipt, but Mr. Dixon said it was not necessary. Then he left the office, accompanied by Tam, and witness followed them out.

Cross-examined—When he paid the \$30 over to Mr. Dixon he saw him make an entry in a book.

What book was it?—The shroff entered it.

You saw the shroff make the entry?—Yes.

Question repeated—The solicitor made the entry and the money was handed to the shroff.

Did Tam tell you a receipt was not necessary?—Yes.

You paid a subsequent \$20?—Yes.

You don't remember the day?—At 4 p.m. on the 14th January.

Didn't you say before you did not know whether it was the 13th or the 14th?—Well, if it wasn't the 13th it must have been the 14th.

Were you sent for to pay or did you go yourself to pay? I went myself after the case was finished.

Who told you the case was finished?—The defendant came to my shop when he was let off.

When you went to Mr. Hastings the second time did you go straight to Mr. Dixon's room?—I looked into Mr. Tam's room. He asked me if I had the money.

You went to Mr. Tam's first?—Yes.

In his room?—In the solicitor's room.

You said you had brought the money?—Yes.

And you handed it over to him?—I handed it

over to Mr. Tam who handed it over to Mr. Dixon. Did this take place in Tam's room?—In the solicitor's room.

Why didn't you pay the money direct to the solicitor? It was given to Tam who immediately handed it over to Mr. Dixon who put it in a drawer.

Why didn't you hand it direct to Mr. Dixon?—Because I did not understand the lingo.

Didn't you say to Mr. Potter that you handed the money personally to Mr. Dixon?—I said I handed it over to Mr. Tam and that the three of us were present at the time.

The Chief Justice—He said he handed the money to Mr. Dixon in the presence of Tam.

The Puisne Judge—The interpreter used the word personally.

Did you make a declaration on this matter on May 25th? Yes. I came to the Court.

Was the declaration interpreted to you?—Yes.

Did you understand it?—Yes.

Is it true what you put in that declaration?

It is true. Declaration was handed to witness, and a portion read.

Witness—I handed the \$30 to Mr. Tam.

Then the declaration is not correct?—How is it?

The Chief Justice—Point out to him that he declared he handed the money to Mr. Dixon. Now he says he paid it to Mr. Dixon.

You paid the balance to Tam who said no receipt was necessary?—Yes.

When you saw the money was not entered in the book were you not suspicious?—No.

Why didn't you insist on a receipt?—I asked for a receipt and they told me it was unnecessary. I did not know the law and I went away.

When did you next see Tam?—The day on which I made the declaration.

Did Tam see you at your shop?—The chief inspector of police sent for me.

Didn't Tam first speak to you about giving evidence in this case?—No.

Weren't you frightened when the policeman came for you?—Why should I be afraid? I paid all the money.

You knew what you were going for?—Yes.

Tam told you?—No.

Who told you?—The chief inspector.

Witness was questioned as to what took place at his interview in the Chief Inspector's Office. His statement was taken down in writing and he signed it.

Did you ask for money for your trouble in going up there?—No.

Did anyone promise you money?—No.

Did you see Inspector Hanson after that interview on February 23rd?—Several times.

When did you next see him?—I don't remember. How can I remember what happened a few months ago?

Have you ever had to see the Chief Inspector before this year?—No.

Do you remember what you saw him about?—It was not much—only this affair. The date I engaged a solicitor, the money I paid and the day the case was finished.

After you made the declaration you saw Mr. Hanson several times?—Yes.

On each occasion it was about what was contained in the declaration?—No.

What else was it?—I was told a solicitor wanted me.

You were questioned about this affair each time? To this extent. I was told not to go away as I might be wanted. Why should I be afraid? I had paid up the money. If I had done something they might not have got me so easily—(laughter).

The police watched you very closely?—Yes they even took their meals at my shop—(laughter).

Witness—Doesn't your Lordship think it disgraceful to watch a business man like this?

You had a lot of trouble over this?—Yes.

Do you expect to get paid for the trouble you have had? I don't know.

The Chief Justice—Is your friend going to pay you back?—He has already paid me.

Did you know what all this was about?—I was called here to-day on account of this money which was handed over and not accounted for.

Did you think you were going to gain by it?—No.

FOURTH DAY.

Wong Hiu Tung was the next witness. He said he was managing partner of the Kwong Hing Cheung firm of Canton. In April, 1907, his firm brought an action against Messrs. Reuter, Brockelmann and Co. Messrs. Hastings and Hastings were his solicitors, and Mr. Dixon took instructions. During the continuance of the action large sums were paid to Mr. Dixon in respect of costs. Some of the amounts were paid over by his firm's agents here. Witness made entries of the payments made, about the time he made them. He remembered being in Hongkong on July 23rd, 1908, when he went to the firm of Messrs. Hastings and Hastings, where he saw Mr. Dixon. On that day he paid the defendant \$500 in respect of costs. He paid that amount because he was told to bring it when he was there on a previous occasion, either on the 18th or 19th July. Mr. Hung was present when witness paid the \$500, and he acted as interpreter. Witness handed the \$500 to Mr. Dixon in bank notes, and asked him for a receipt. He said, "Some other day will do." Witness produced his book containing the entry of \$500.

Mr. Potter—I will put that book in.

The Chief Justice—Under what?

Mr. Potter—In the ordinary way, as a book kept by Mr. Wong.

The Chief Justice—You cannot put it in under English law.

Mr. Potter—If there is any question as to its correctness, or my right to put it in, I won't press the point.

The Chief Justice—Do you put it in under English law?

The Puisne Judge—Or under the local Ordinance?

Mr. Potter—I can put in a book kept by a firm in the ordinary course of business.

The Chief Justice—It is not a banker's book. We are very doubtful if it can be used as evidence.

Mr. Potter—I do not for a moment wish to press the point. (To witness)—Is there any entry referring to the 23rd July?

The Chief Justice—That is the same thing.

Mr. Potter—The witness can refresh his memory.

The Chief Justice—A man is not told by counsel to refresh his memory. He says, "May I refresh my memory from the book?"

Mr. Potter—What your Lordship means is that as he is certain the money was paid it is not necessary to refresh his memory?

The Puisne Judge—You had better ask him if he is quite certain.

Mr. Potter—Are you quite certain you paid \$500 to Mr. Dixon for costs on July 23rd, 1908?

—Yes. Proceeding, witness said he had received a statement of account from Messrs. Hastings and Hastings, but the payment of \$500 was not in the bill. During the continuance of this action he had made loans to Mr. Dixon, who asked for the loan of several hundred dollars. The first loan was made on the 27th January, 1908.

The Puisne Judge—I don't know if anything turns on that, but you had better let him tell his own story as plainly as possible.

Mr. Potter—Where did you make the loan on 27th January?—At Hastings and Hastings' office. I paid \$500 costs, and advanced a loan of \$200 to Mr. Dixon.

What was the next date that you made a loan to Mr. Dixon?—On May 5th, 1908.

Where?—I handed Mr. Dixon \$150 at Messrs. Hastings and Hastings' office, and paid \$350 costs.

Did you make any other loans to Mr. Dixon?—Yes.

When?—On June 23rd, 1908, when I advanced him \$200.

Did you give Mr. Dixon any other loan?—On the 29th June I handed him \$200 at his office, and paid \$3,500 costs.

Did you in April of this year come to see Messrs. Hastings and Hastings?—Yes, sometime near the beginning of April, when I called to ask for my money in the action.

Whom did you see there?—Mr. Dixon.

What did you say to him?—I asked him to pay me the money due and to render an account. He gave me a general account, but I pressed him for a detailed account.

A detailed account of what?—In the action in which I instructed him. Mr. Dixon wanted to pay me \$10,200 odd, which I refused to take.

unless he gave me a detailed account. Mr. Tam acted as interpreter.

The Chief Justice—At that interview was there an account drawn up and dated?—Yes, a general account.

Proceeding, witness said he went to see Mr. Hastings at the beginning of April and Mr. Hastings paid him \$10,000. Then he compared the account he had received with his books, and found that the \$500 he paid on July 23rd, 1908, was not accounted for. Witness did not get any receipts for the loans he made to Mr. Dixon, but he entered them in his book.

In cross-examination witness said he made a declaration on June 6th, which was interpreted to him, and the contents of which were true.

Is it true that you paid all the sums of money in respect of costs amounting to over \$14,000 to Mr. Dixon?—No, not all of them.

When you were giving Mr. Hastings instructions for that declaration, who acted as interpreter?—A man wearing spectacles. A new man at the office. I don't know his name.

Did not Mr. Hastings take the instructions down for this declaration?—Yes.

How did you come to make this affidavit?—On account of the accounts not being correct.

When you found these accounts were not correct, what steps did you take?—I saw Mr. Hastings and asked him why the \$500 was not accounted for.

When was that?—Sometime about May 18th.

What happened at the interview with Mr. Hastings about that date?—I said \$500 are not accounted for, and told him I did not get a receipt for the money. I wanted to drop the matter, but Mr. Hastings insisted that I should come here and give evidence. I said I did not wish to give evidence against Mr. Dixon, as I was very thankful for the way in which he had conducted my case.

Did you agree at that interview to make a declaration?—Yes. He told me to tell him everything.

Was the declaration drawn up at this interview?—No. I went to Canton, and on my return about June 4th this declaration was drawn up.

Is it a fact that you went away on May 18th having expressed your willingness to make the declaration, and returned on June 4th to make it?—Yes.

In the meantime had anyone see you about the matter?—No.

During that interval had you received any letter about the matter?—One.

From whom?—A friend of mine, Lo Lai Chun.

Who is Lo Lai Chun?—He's a clerk in Messrs. Deacon, Looker and Deacon's.

How long have you known him?—For a number of years.

What did he say in this letter?—Just asked me to return to Hongkong.

Had Lo Lai Chun been in communication with you about this matter before?—No.

Did he say in the letter what he wanted you to come down for?—No.

When you arrived did you go to see Mr. Hastings?—Yes, with Lo Lai Chun.

What happened at this interview on the 23rd or 24th May?—I asked Lo to interpret to Mr. Hastings, and asked him if he could deduct some of the costs as they were very heavy.

Did you at that time take the bill of costs with you?—No.

What did Mr. Hastings say?—“We can consult about that by and bye. I'll see about it.”

When did you next go back to Canton?—By the next night boat.

When did you next come back to Hongkong?—About June 3rd.

Why?—Because Mr. Hastings wanted me to make a declaration.

How did you know that?—I was informed by a letter from Mr. Tam, of Messrs. Hastings' office.

What did you do on the day after your arrival?—I went to Mr. Hastings' office.

What time did you arrive there?—I haven't got such a good memory as all that. I forget.

When you got to Mr. Hastings' office what happened?—I was asked to go to Court to make a declaration.

Who did you see?—Mr. Tam.

Did you see Mr. Hastings?—Yes.

Was anyone else present?—I didn't see any one.

Then you, Tam and Mr. Hastings were alone in the room?—Yes.

Were the instructions for the declaration taken at that interview?—Yes.

Who acted as interpreter?—Mr. Tam. It looked very much like him, anyway.

At the interview on the 4th was anything said about the costs in the Reuter, Brockelmann action?—I told Mr. Hastings I'd like him to make them less, and he said, “I'll consider that.”

Have you been paid anything with regard to these costs since April 15th?—No.

In the exhibit of your declaration there is a list of the monies paid to Mr. Hastings in the Reuter, Brockelmann action?—Yes.

Are the dates of those payments correct?—Yes.

Do you say you made a payment of \$25 on 21st March?—Yes.

And on September 13th do you say you made a payment of \$1,500?—On May 17th, 1907.

Do you say you made a payment on October 3rd, 1907?—Yes, and I have a receipt for it.

Mr. Potter—If I may intervene, I think there's some confusion. The English receipts speak for themselves.

Witness explained that the writing in his book was in short running hand, and the entry might mean either the fourth or the eighth moon. The Chinese writing on the back of the receipt showed four clearly.

Did you pay \$350 to Messrs. Hastings and Hastings on the 6th day of the 4th moon?—Yes.

Did you pay \$2,000 on the eighth day of the 12th moon (30th December)?—Yes.

How do you explain that the receipt is dated 11th January?—As the office was closed on December 30th the money was not paid till after new year. I did not pay the amount personally.

At this stage the court adjourned for tiffin. On resuming the cross-examination of Wong Hiu Tung was continued.

You say that you paid Mr. Dixon \$50 on the 23rd July?—Yes.

What day did you come to Hongkong for that purpose?—The same day.

When did you leave Canton?—The day before the 22nd.

Do you know that as a matter of fact you attended Mr. Dixon on the 22nd?—No.

Didn't you on that day have an interview to discuss the question of a new trial? I remember speaking to him about that, but I can't say when.

The entry in Mr. Dixon's diary was translated for witness, and he said he remembered it. It was always his custom, however, to pay an amount in on the day of his arrival.

Did you have a detailed account of all the items in Messrs. Hastings and Hastings' bill of costs sent you?—Yes.

Where is that account?—In Canton.

Did you notice an item in it, “Attending you on 22nd July”?—I can't say.

Were you not, with the assistance of your friends, carefully checking this bill?—Yes, and the item of the 22nd was mentioned.

Did you object to it?—The only thing I spoke to Mr. Hastings about was the omission of \$500.

Then as far as you and Mr. Hastings were concerned, you accepted that item of 22nd July as correct?—Yes.

What time of day did you pay that \$500?—In the forenoon.

This case of Reuter, Brockelmann's went to the Full Court?—Yes.

And after that do you not know there was a question of a further appeal to the Privy Council?—Yes.

Did not Mr. Dixon ask you for further costs in respect to that appeal?—Yes, that was the \$2,000 paid on January 11th.

As some \$4,000 had been paid out of Court to Messrs. Hastings and Hastings did you not think it was unnecessary to supply any more?—Yes.

In consequence of this did not Mr. Dixon supply you with an interim account?—Yes.

Was not that account in Chinese as well as English?—Yes.

And that did not show that \$500 had been paid on July 23rd?—In that account there was a deficit of over \$2,000.

The Puisne Judge—Do you mean that you were credited with \$2,000 less than you paid?—

I was not credited with over \$2,000 which I had paid.

Mr. Calthrop—Did you make any complaint?—I complained to Mr. Dixon and the interpreter.

Did they give a satisfactory explanation?—No. They said they would see about it by and bye.

What did you do then?—I paid them \$2,000 for costs of appeal.

Although you were dissatisfied with the accounts?—They informed me that a full account would be rendered afterwards.

The Chief Justice—Which items were omitted?—I can't give any particular items.

Did you know the items at that time?—No.

Mr. Calthrop—Do you say the account was subsequently rectified?—Yes.

When?—Somewhere about the time I was paid the \$10,000.

Before the account was rectified you paid another \$2,000?—Yes.

How do you mean rectified; were you properly credited?—Yes.

Did you ever tell Mr. Hastings about this deficiency?—He was absent at the time.

Are you sure Mr. Hastings was absent when you got the account?—He was in the Colony.

Did you complain to him in November when you got the account?—I did not.

Did you complain in April or May when complaining about the \$500?—No, because the account was already rectified, and the only mistake was the \$500.

In the interim account did the item of \$25 paid on 25th March appear?—Yes.

The Chief Justice—He says there was a mistake of over \$2,000 in the account and it was rectified. Does he mean that?

Witness—When I was paid the account was correct with the exception of \$500.

Mr. Calthrop—In the first account were items of payments made by your firm given you?—No.

What items in the detailed account were omitted which you say you had paid?—I did not verify the account because I was told it would be settled by and bye after the appeal came on.

You had the account in detail, you had your book and you had receipts, and yet you say you can't point out what particular items were not included?—Mr. Dixon admitted that the \$2,000 odd were in the bank, and that he would rectify the account by and bye. He was not sure which bank the money was in.

Are you sure he said that?—Yes.

When was it you first complained to Mr. Hastings about the \$500?—Sometime after I received the \$10,000.

Did Mr. Hastings then go into the whole matter of the accounts with you?—No.

When he saw you about making a declaration did he not go carefully through all matters of payment and accounts rendered?—Yes.

And why did you not tell him about the deficiency in the account delivered in November?—I did, and I showed him the bill.

And yet you did not put a word about this in your declaration?—I did not, because the only mistake at the time was the \$500.

You say that Mr. Dixon asked you for a loan of several hundred dollars?—Yes, in January, 1908.

How many hundred dollars did he ask you for?—\$200.

Did you agree to lend him \$200?—Yes.

Was there any arrangement as to payment of interest?—No.

How did you pay it?—Two notes of \$100 each.

Did you ask him for a receipt?—No.

Why?—I was very pleased for what he had done for me in the action.

On the same day you paid \$200?—Yes.

Did Mr. Dixon give you a receipt?—Yes.

I put it to you that on that day you saw Mr. George Hastings, and that he gave you a receipt?—I did not hand any money over to Mr. Hastings, I paid it to Mr. Dixon, and Mr. Hung acted as interpreter.

Do you know the signature on the receipt is that of Mr. George Hastings?—No.

Mr. Potter said the money was entered in the cash book in Mr. Dixon's handwriting.

Mr. Calthrop—On May 5th did you lend Mr. Dixon \$150?—Yes.

Why?—Because he was acting for me. He asked for it and I advanced it.

Did you get a receipt from him?—No.
 Didn't you pay on that day \$350?—Yes.
 Did you get a receipt?—Yes.
 The Chief Justice—Were these requests for loans made through an interpreter?—Yes, Mr. Hung.

When did you make the next loan?—On June 23rd.

And you got no receipt?—No.

On 29th June you lent another \$200 and got no receipt?—Yes.

Did you on that day pay \$3,500 to Mr. Dixon?—Yes.

Into his own hands?—Yes, and he gave me a receipt.

Did you see Mr. Dixon make a note of this payment in the cash book?—I didn't notice; at times he would go out and get the receipt, other times he would send for it.

Will you swear you did not pay this money to Mr. George Hastings?—I can swear I paid it to Mr. Dixon.

Between May 5th and June 29th you say Mr. Dixon had borrowed \$550 from you?—Yes.

Didn't you get rather suspicious?—Why?

Did you ask him for any of the money back?—No.

Have you ever asked him for any written acknowledgment of the amounts?—No, and I have had no conversation with Mr. Dixon about them.

You say you had a great admiration for Mr. Dixon?—Yes.

And yet you complained to Mr. Hastings about Mr. Dixon not paying you back before asking Mr. Dixon for payment?—Mr. Hastings asked me to tell him everything.

Was this your own money?—It belonged to three persons, partners in my firm.

Isn't it very unusual for Chinese to lend money without taking a receipt or a promissory note?—It is, but it does happen sometimes.

You were lending money belonging to yourself and others. Why didn't you ask for a receipt?—Because I was in charge of the business.

How could you vouch the accounts without asking for a receipt?—My fook did not mind. They said if he pays very well; if he does not, "maskee."

As far as any evidence goes there's nothing to show you did not keep this money yourself?—If you want to say so, you can.

As regards the monies you paid to Messrs. Hastings and Hastings you were very careful to get receipts?—I did not ask Mr. Dixon for receipts and he did not give them. Do you mean to say I could not trust solicitors, who are so honest?

When this case was tried last July the jury did not believe your evidence. Is that not so?—I don't know.

The Chief Justice—I would suggest as an answer to that, the Court thought the jury ought to

What is your share in your firm?—\$500.

And your salary?—\$20 a month.

And your share of the profits?—\$300 to \$500 a year.

Re-examined: You say Mr. Hastings asked you to relate everything to him. Is that why you told him about the loans?—Yes.

The first time you made a loan to Mr. Dixon was in January, 1908?—Yes.

At that time he had been working for you for about nine months?—Yes.

When the account was rectified was the \$500 you paid on July 23rd accounted for?—No.

Was the \$10,000 paid you on April 15th?—Yes.

On what day did you enter it in your book?—One or two days later.

How often did you go to Messrs. Hastings' office with Lo Lai Chin?—Two or three times.

When you went to Messrs. Hastings' office to give instructions about your declaration who interpreted?—Mr. Lo Lai Chin.

Who read over the draft to you?—The same man.

Of the \$14,000 paid by your firm for costs I think you said some was paid by you personally and some by friends in Hongkong?—Yes.

The Chief Justice—When you had the discussion with Mr. Hastings early in April, and went to ask for your money, you had that interim account in your possession?—Yes.

And pressed Mr. Dixon for a detailed account before you went in to see Mr. Hastings?—Yes.

Why did you refuse when Mr. Dixon offered to pay \$10,000?—Because he had not given me a detailed account and wanted me to accept that amount in full settlement.

When you went into Mr. Hastings you told him \$500 was omitted from the account?—That was after I got the \$10,000.

The amount Mr. Dixon offered you, \$10,800 was the amount due to you?—I could not then say, as I had not a detailed account.

The Puisne Judge—Leaving out that \$500 what is the amount due to you?—3 0 odd.

The Court then adjourned until Monday morning at 10.30 o'clock.

THE S.S. "FATSHAN" AFFAIR.

RENEWED ACTIVITY BY THE SELF-GOVERNMENT SOCIETY.

Our Canton Correspondent writes:

Several thousand people attended the meeting convened by the Self-Government Association which took place at the Wah Lum Temple on the afternoon of the 16th. Chan Wai Po was invited to take the chair. The Chairman, Messrs. Woo Sum Ching, Chan Chu Chow and Tam Shew Po made speeches commenting on the grave importance of the *Fatshan* case and its serious consequences if redress was not obtained, because in future the lives of Chinese would be treated like ants and would not be worth a straw. The speeches also condemned the attitude of the Portuguese Consul in connection with the affair, which the speakers said had incensed their brethren both in China and abroad.

Lo Shew Ngo having read the "Express" circulated by the Society, the Chairman recapitulated the *Fatshan* incident and said the most important matter which they now had to deal with was the Portuguese Consul's dispatch to the Viceroy which contained the following accusations, viz.:—(1) That the Chinese people pretend to love their country. (2) That the Self-Government Society is an illegal society. (3) That the Press representatives should be severely punished for their conduct in connection with the *Fatshan* incident. (4) That the witnesses who gave evidence should be reprimanded. (5) That the Self-Government Society did undoubtedly bribe the witnesses who gave evidence in the *Fatshan* case. The Chairman said that any man endowed with reason would not make such accusations, but as they had been made by the Portuguese Consul he begged the audience to suggest what measures should be taken in the matter.

The audience became greatly excited and large crowds shouted that any uncivilized retaliation would do for persons who are so unreasonable.

The Chairman rose and told them to be calm themselves, and remarked that not only had the Chinese people been greatly incensed over this matter, but even foreigners were very much enraged. The first and foremost point to deal with was the false accusations made by the Portuguese Consul. Although the latter has been most unreasonable and uncivilized in his attitude towards them they must not retaliate by uncivilized methods. He asked permission of the audience to give his opinion as to what steps should be taken in the matter, and assent having been signified he made the following proposals: First, to address a letter in the name of the Self-Government Society to the Portuguese Consul calling upon him to prove all the accusations contained in his dispatch to the Viceroy; and if he should reply admitting to have made an error or a slip of the pen the Society would publish the answer so that all might know the facts and they would then overlook the matter. Secondly, To petition to H.E. the Viceroy praying that dispatches may be forwarded to both the British and Portuguese Consuls to have a fresh joint investigation into the *Fatshan* case.

The audience approved the above proposals, but it was added that if no reply is received from the Portuguese Consul within three days another meeting will be convened to decide what further steps should be taken.

The following is a translation of a Proclamation issued by His Excellency Viceroy Chang of

the 15th instant, when information reached him that the Self-Government Society intended to hold a meeting on the 16th instant:—

"This Proclamation is issued to inform the public that the establishment of commercial intercourse between the Chinese and the foreigners is for the convenience and mutual benefit of both people. The British firm of Butterfield and Swire has established regular steamship services at the various Treaty Ports in China for the conveyance of goods and passengers for a number of years and have been trading all along peacefully with the Chinese. Last year on account of an action brought against one Noronha (who was employed on board the S.S. *Fatshan*) for kicking a Chinaman to death, public feeling was considerably inflamed, and the people began to have suspicions and avoided travelling by that steamer. With regard to the above matter, strict exhortations were issued to the people to desist from creating trouble, and they were also requested to ship goods and travel by the steamer in the ordinary way, after which things went on peacefully. Fearing that there might be some people who are desirous of creating trouble on the pretext of the *Fatshan* incident, I have purposely issued this proclamation for the information of the public. You are all aware that the firm of Butterfield and Swire has hitherto been carrying on business in China upon very friendly terms, with a spirit of justice and firmness, and the Chinese people have been very grateful to them for what they have done. A University is about to be established in Hongkong for the convenience of educating the Chinese people, to which the firm of Butterfield and Swire alone gave a donation of over \$400,000. Moreover, I have heard that the firm has given instructions to their employees to pay special attention to the comfort of the passengers and have engaged more people on board their steamers to attend to the passengers. With regard to Noronha's case, the man is a Portuguese subject and his case should be tried at the Portuguese Court. The British Government have no power to try the case.

I command you all not to drag the firm of Butterfield and Swire into Noronha's case and by this proclamation I command you to continue to travel and ship goods by that steamer. I command the people to take notice of and abstain from disobeying this proclamation."

ALLEGED FEROCIOUS DOG.

At the Magistracy on June 18 Mr. John Lambert, Lloyd's surveyor, was summoned for keeping a ferocious dog at his residence, No. 3 Ormsby Villas, Kowloon. The complainant was a Chinese woman who alleged that the dog bit her son.

His Worship (Mr. Hazeland)—Have you got a ferocious dog?

Mr. Lambert—Not to the best of my knowledge. I have two dogs.

His Worship—You say neither of them is ferocious?

Mr. Lambert—As far as I know, I have seen nothing vicious or ferocious about them. This boy is the torment of all the dogs about the neighbourhood. He has been throwing stones and if the dog has got loose and bitten him it is only what he deserves.

Inspector Langley said he was prepared to prove that the dog attempted to bite a European constable.

Mr. Lambert said he knew nothing of that until the previous night, when coming down in the car he mentioned the matter to a friend whose wife remarked that she was an eye-witness of the occurrence, and she declared that the policeman was to blame as he made an unwarranted attack upon the dog. She was a member of the Society for the Prevention of Cruelty to Animals and she would gladly come forward and give evidence.

His Worship—I think I had better try the case.

Mr. Lambert added that he was quite willing to have the dog destroyed.

Inspector Langley—Then the question of compensation to this boy arises.

Mr. Lambert—I don't feel inclined to pay compensation to a child who has brought it upon himself.

The hearing was fixed for Wednesday.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held on June 17th in the Council Chamber.

The following were present:—

HIS EXCELLENCY THE GOVERNOR, SIR FREDERICK JOHN DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.

Hon. Colonel DARLING, R.E., Acting G.O.C.

Hon. Mr. A. O. M. THOMSON (Colonial Secretary).

Sir HENRY BERKELEY, K.C. (Acting Attorney-General).

Hon. Mr. C. M. I. MESSER (Colonial Treasurer.)

Hon. Mr. P. N. H. JONES (Acting Director of Public Works).

Hon. Mr. A. W. BREWIN (Registrar-General)

Hon. Mr. F. J. BADELEY (Capt. Superintendent of Police).

Hon. Dr. Ho KAI, K.C., C.M.G.

Hon. Mr. E. A. HEWETT.

Hon. Mr. E. OSBORNE.

Hon. Mr. W. J. GRESSON

Hon. Mr. MURRAY STEWART.

Hon. Mr. WEI YUK, C.M.G.

Mr. C. CLEMENTI (Clerk of Councils).

MINUTES.

The minutes of the last meeting were read and confirmed.

PAPERS.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Superintendent of Prison for 1908.

FINANCIAL MINUTES.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes (Nos. 26 to 27) and moved that they be referred to the Finance Committee.

The COLONIAL TREASURER seconded, and the motion was agreed to.

FINANCIAL.

The COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 6) and moved its adoption.

The COLONIAL TREASURER seconded the motion, which was agreed to.

PRISONS ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a bill entitled an Ordinance to amend the Prisons Ordinance, 1909.

The COLONIAL SECRETARY seconded and the bill was read a first time.

TRAMWAYS ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the first reading of a bill entitled an Ordinance to amend the Tramways Ordinance, 1883.

The COLONIAL SECRETARY seconded and the bill was read a first time.

TRANSFER OF OFFICERS ORDINANCE.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to transfer to certain officers of the Public Service certain duties at present performed by other officers. In doing so he said—The purport of this bill is shortly stated in the memorandum attached. It is to transfer from the Colonial Secretary's office and the Registrar General's certain duties in connection with licensing and registration which it is considered will be more effectively performed by the police. For instance, it is proposed to invest the Captain Superintendent of Police, instead of His Excellency, with authority to grant pawn-brokers' licences and also licences to keep dangerous goods, the Government to have the power to decide whether a licence might be renewed or not. Authority to grant certain other licences was given to the Captain Superintendent of Police. It was also proposed to take from the Colonial Secretary and invest the Captain Superintendent of Police with the power to grant auctioneers' licences and other licences. I think the House will agree that it is quite proper to transfer certain duties under the Vaccination Ordinance such as the issue of notices to parents to have their children vaccinated, and the keeping of a register where vaccination has been certified to the Head of the Sanitary Department from the Registrar-General. It is also proposed to give to the Head of the Sanitary Department the

administration of the Ordinance with regard to the registration of births and deaths.

The COLONIAL SECRETARY seconded.

Hon. Mr. HEWETT—There is one point to which I would like to draw attention, that is section 9. It is comparatively speaking a small matter, but I would like to remind Your Excellency and the Council generally that though for a great number of years it has been considered inadvisable to have a Municipal Council in Hongkong, it has been considered reasonable by the Secretary of State and the local Government to allow the public to have a certain amount of say in municipal matters. For that reason the Sanitary Board was instituted, and a certain number of unofficial members, a majority, was appointed. Two or three years ago a very important Commission sat for a considerable portion of the year to consider the working of the department and made certain recommendations which were generally on the lines that the Hongkong ratepayers, as represented by the unofficial members of the Sanitary Board, should have an increased say rather than a decreased say in municipal matters in the colony. That seems to be only reasonable in view of the increased control over municipal affairs allowed in other colonies and at home. The whole of the legislation which has been introduced since that date has been constantly directed to one end, the gradually whittling down of the powers of the Sanitary Board until now it is reduced almost to a farce. It appears to me now that the time has come to make a protest against the attempt to transfer certain matters—small in themselves but in the aggregate considerable—from the control of the Board to the Head of the Sanitary Department. If the feeling of the Government here is that the Sanitary Board is inadvisable, I think the Government should honestly say so, and that the Sanitary Board should be abolished, and the sanitary department should be controlled by a Government official as other departments are. It is only one little nail in the coffin of the Sanitary Board, and it is only right I should point this out. The feeling was growing on the Board that it had less and less control every year over municipal matters, and we were rapidly approaching that point when the Government ought to consider whether they should continue the existence of the Sanitary Board or not.

The ATTORNEY-GENERAL—That is a matter which can be brought up in committee.

Hon. Mr. HEWETT—It is a question of principle.

The ATTORNEY-GENERAL—It is hardly a question of principle. It is only a question of who is to give written sanction. The Head of the Department should be in a better position to give the sanction than the Secretary.

The motion was agreed to.

The Council then went into committee to consider the bill clause by clause.

On clause 3

The Hon. Mr. HEWETT said that the "Head of the Sanitary Department" should be deleted and the words "Sanitary Board" substituted.

The HON. ATTORNEY-GENERAL—The Head of the Sanitary Department is the head of the Board.

Hon. Mr. HEWETT—Yes, but the Head of the Sanitary Department has certain powers of which the Board have no knowledge. I am going back now to the contention that the ratepayers in the colony ought to have a greater say in municipal matters, and therefore I say that matters of this kind should be in the hands of the Board and not in the hands of the Department.

Hon. Dr. HO KAI—The secretary of the Sanitary Board.

Hon. Mr. HEWETT—The secretary of the Sanitary Board can only act with the authority of the Board.

The COLONIAL SECRETARY—Much better to have the power in the hands of a Government officer. That will ensure that it will be done properly.

Hon. Mr. HEWETT then referred to the granting of permits. He said the authority to issue permits should rest with the Board.

HIS EXCELLENCY—There is no intention whatever to minimise the powers of the Sanitary Board. If the hon. member will refer to the Section (No. 13) he will see that it is concerned

only with the granting of permits for the removal of burying of bodies. It was considered that, since such permits must in the nature of the case be issued promptly, it would be more convenient for the Head of the Department to do so than for a meeting of the Board to be convened, and without a meeting the Secretary could not act.

Hon. Mr. HEWETT admitted that there might be cases for urgency, but then the Head of the Department could instruct the secretary to report to the Board what had been done.

The ATTORNEY-GENERAL suggested that in that case it would be better to invest the general authority in the Head of the Department.

Hon. Mr. HEWETT said there had been occasions when the Board had asked for information, and had been informed that the work had been done by the order of a Government official who was not under the control of the Board, and who received his orders from the Government. The Board should be recognised.

HIS EXCELLENCY—Will you move your amendment?

Hon. Mr. HEWETT—I will move that it stands as in the original ordinance.

The amendment on being put to the vote was defeated, there being only one member who supported Mr. Hewett.

Council then resumed.

PATENT ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the second reading of a Bill entitled an ordinance to amend the Patents Ordinance, 1892. In doing so he said—The object of this bill is to give effect in this Colony to the provisions of the Imperial Patents and Designs Act passed in 1907. The effect of that Act was that any article or process patented must be manufactured and carried out in the place where letters patent are granted in order to validate the letters patent. It will be seen from the memorandum that the Bill was passed in the Imperial Parliament a short time ago, and it provided that foreign patents could not be valid in England unless they were worked in England. If they were not worked in England the letters patent would be revoked. It is necessary for us to legislate here on that subject because a patent could not be granted in Hongkong unless it has been first granted in the United Kingdom. The Bill provides that a patent is not revoked in Hongkong merely because it has been revoked in England for not being worked there, but it is revoked if it is not worked in Hongkong. That makes it necessary to make further provision for procedure with regard to the revocation of patents here and opportunity has been taken in this Bill to introduce several other amendments as to procedure which were necessary.

The COLONIAL SECRETARY seconded, and the motion was agreed to.

The ATTORNEY-GENERAL—Suggestions have been made by the President of the Law Society that this Bill might be submitted to them for consideration, and as it is what might be called a lawyer's Bill I think we should not proceed with the committee stage of the Bill until that has been done.

This was agreed to.

OPIMUM ORDINANCE AMENDMENT.

The ATTORNEY-GENERAL moved the second reading of the Bill entitled an Ordinance to amend the Prepared Opium Ordinance, 1891. In doing so he said—Hon. members will understand the necessity for this Bill. The Colony is prepared to do what it can to assist the Imperial Government in its endeavour to assist the neighbouring empire of China in the restriction of the opium habit. It is necessary for us, having come to that conclusion, to amend the law with respect to the sale of opium in the Colony, and in order to do that it is necessary to place restrictions after the date of the expiry of the present opium farm upon the consumption of opium in the Colony. Stated shortly, the Bill provides for the abolition of opium divans, and as it is impossible to give effect to the principle of the Bill and allow the divans to be recognised, it is provided that the divan as such cease. It also provides that the selling of opium to women and children shall be prohibited, and it places restrictions upon the importation and exportation of the drug. It also provides for enlarged powers being given to the Government to supervise the conduct of the farm so long as

it continues to exist. Those are the main provisions of the Bill. There are a number of minor provisions introduced to meet the representations of those interested in the trade. It is necessary that this Bill should be passed as soon as possible, because the time is approaching when this Government has to frame its budget. We can no longer look forward in the future to the great source of revenue which in the past has been derived from the sale of opium. I do not think I need say anything more to Council. The Bill will be discussed and amended if necessary when we come to consider it in committee.

The COLONIAL SECRETARY seconded.

Hon. Mr. M. STEWART—Your Excellency—In rising to oppose the second reading of this Bill I feel called upon to set forth my reasons at some length. For that I offer no apology. The importance of making the position clear warrants iteration and reiteration of the salient facts connected with it. A year ago it was my unpleasant duty adversely to criticise the action of the Home Government in announcing a development of their opium policy which threatened the revenue of this colony, without having first taken the usual and proper preliminary steps to ascertain the views of those immediately responsible for its administration. In proposing the resolution which embodied the gist of my remarks I endeavoured to indicate the attitude generally adopted by representative men. I stated that they were of the opinion that the Home Government's action had been inconsiderate, but that there was no desire to display a spirit of uncompromising hostility to the opium policy. The attitude which I endeavoured to indicate may be found condensed in the terms of a resolution passed by the Chamber of Commerce, and forwarded to the Government at the time, in which no opposition to the policy proposed was offered, but, on the contrary, support was promised, provided the Government recognised the reasonableness of applying it to Hongkong by some gradual method similar to that approved in the case of India. Another aspect of the prevailing view was reflected with equal accuracy in the terms of the resolution which I brought forward in this Council and which recorded "a protest against any steps being taken to carry out the order of the Home Government before this Council shall have been called upon to consider the methods by which it is proposed to readjust the burden of taxation." In opposing that resolution Your Excellency deprecated distrust of the ultimate wisdom of the politicians concerned and encouraged the belief that reasonable representations would ultimately prevail. I remember your saying, "I think we can rely upon the statesmanship of the British Cabinet." And again you said: "I trust that we may hope that both the great parties in England will recognise the necessity of dealing with this question in a gradual manner and not by hasty and arbitrary legislation." Following upon this the Under Secretary of State in the House of Commons on the 28th July, after making a far from flattering allusion to the inhabitants of this Colony, and several self-contradictory statements relating to their views, concluded by expressing the hope that "the best opinion in Hongkong and the opinion of the Governor would be found to coincide with the measures proposed." We know that Your Excellency's opinion, as to the wisest course to pursue, did coincide with that held by the leading men of the community. We know, Sir, that you proposed a scheme of gradual reduction admirably adapted to the genuine needs of the case—a plan based roughly upon that employed in the reduction of the Indian export, under which by diminishing periodically the supply of opium purchasable by the Farmer, and thus gradually curtailing the trade, you proposed automatically and almost painlessly to extinguish the existence of the divans. I venture to say that had the despatch in which you made these proposals to His Majesty's Government been made public in October, when it was forwarded, every sensible man in the Colony would have been found to agree with it, and the Under Secretary would have had his hopes so far fulfilled that there would have been coincidence between the best opinion in Hongkong and the opinion of the Governor. The remnant of the Under Secretary's hope remains unfulfilled, because His Majesty's Go-

vernment has seen fit to disregard both, and to turn a deaf ear to the plea advocated officially and unofficially from here for "the necessity"—I quote Your Excellency's words—"of dealing with this question in a gradual manner." This regrettable divergence between these coinciding opinions, on the one hand, and the measures proposed, on the other, was revealed on the 11th of March last, when Your Excellency announced to this Council the decision of His Majesty's Ministers to refuse the one thing asked for—time in which to readjust the burden of taxation. Your Excellency's recommendations and the recommendations of the Chamber of Commerce were seen to have received unfavourable consideration. Your former hopes were falsified; former doubts were justified. I was not present when that announcement was made and this is the first opportunity I have had of replying to a comment, quoted by Your Excellency from a despatch signed by the Secretary of State, animadverting upon unofficial criticism in this Council, presumably that which originated in the vexed question of the famous promise made by the Under Secretary that the divans were to be closed forthwith. The unofficial members of this Council were inferentially reproved for protesting vigorously, seemingly on the ground that we ought to have had faith that His Majesty's Ministers would never have done what the Under Secretary said they were about to do. As far as I can see our fault lay in taking the Government at its word. Are we to assume that promises and statements made by an Under Secretary are not to be understood in a literal sense? This appears to be the lesson to be drawn from the incident. Now inasmuch as it has thus been made plain that we must be careful to inquire into the precise meaning of promises made on behalf of His Majesty's Ministers, it is inevitable that we should seek for further information regarding that particular promise upon the strength of which we are asked to pass this Bill. Recognising the hardship which would be imposed on this Colony by forcing the closure of all divans in March next, without compensation, the Secretary of State has committed to paper the following undertaking:—"When the time arrives His Majesty's Government on their part will be prepared to ask Parliament to give a substantial contribution towards making good to the Colony the revenue which is found to have been lost as the direct result of measures adopted under their instructions." The direct result of the measure under discussion will be to reduce the annual revenue by some \$600,000. That, I understand, is the Opium Farmer's estimate. It is not easy to estimate the indirect losses. The indirect losses to the Colony will of themselves be hard enough to bear. Already, with this legislation in prospect merely, one large Indian firm has decided to close its Hongkong establishment. Others may be expected to follow suit. Loss to the Colony will result in various ways, all incapable of proof, all impossible to claim for, but none the less real, and just as much the immediate outcome of this hasty and arbitrary legislation as the shortage shown in the Opium Farmer's books. If the people at home, who supply the driving power for this legislation, want to gain some idea of what they are doing, let them imagine the financial dislocation which would follow upon similar action taken in London. Let them imagine what it would mean to close every public house in the metropolitan area in March next. Opium in this Colony occupies the same relation to the general taxpayer as alcohol does to the Bishop of London. Just as the revenue derived from the sale of the latter stimulant contributes largely to the support of the social and economic fabric which shelters him, so our revenue from opium contributes to the support of the social and economic fabric of which you, Sir, are the distinguished head. If the people at home would exercise their imaginations in the manner I suggest, they would realise a little better than I imagine they do our losses both direct and indirect. Indirectly everyone will suffer. The Indian firms pay office rent; their taipans and staff pay house rent; buy cloths and stores, furniture and food; employ doctors, and dentists, lawyers and architects. Everyone will feel the effects of this measure from top to bottom of the community, Europeans and Chinese alike, from the leading merchants to the humblest coolies. There will be less employ-

ment for the latter on land and in the harbour. Fewer or emptier ships will come and go. The port will suffer. That is the price which Hongkong will have to pay for the opium policy of His Majesty's Government—that is the burden which we asked in vain might be imposed gradually. If it had been imposed gradually we should have borne it unassisted. But under the circumstances, it would only be right that the whole of the demonstrable loss to revenue should be made good. The rightness of this has not been recognised by the Home Government. The Secretary of State for the Colonies merely undertakes to ask Parliament for a substantial contribution towards it. Could anything in the nature of a promise be more unsubstantial? "Parliament will be asked to give." It sounds as if Parliament might refuse. Then we should perhaps be told that we ought to have understood this particular promise in a literal sense and that there was literally nothing binding about it. Even our natural protectors, the permanent officials in the Colonial Office, might find themselves powerless to enforce the fulfilment of the undertaking appearing over Lord Crewe's signature. Even if we had a more satisfactory undertaking from the Colonial Office, what about the Chancellor of Exchequer? Lord Crewe may mean ever so well by us. But what about the Right Honourable Mr. Lloyd-George? Has the Treasury been approached in the matter? If so, has the Colonial Office received any positive and binding assurance that the Treasury will come handsomely to our rescue? Unless that great department of State is grossly maligned generosity is not its strong point. In this Council on the 11th March Your Excellency expressed satisfaction in finding that the Imperial Government had dealt justly and generously with the Colony. I regret that I cannot yet share this satisfaction. I certainly find it difficult to derive any from the promise so guardedly made. You, Sir, may have, and I hope you have, some better means of interpreting it in a generous sense. May I be permitted then to ask what amount you propose to include in the Estimates for next year, as the Home Government's "substantial contribution"? If we knew that, we should be able, perhaps, to view the position more favourably. But if the promise does not mean, as in equity it should, that our whole direct loss will be repaid, have we no claim to seek further assurance that at least some definite proportion will be? We are not so unreasonable as to hope that the whole or any part of our losses will be met for us indefinitely, or for any lengthy period, but we may reasonably ask that help will be forthcoming for a few years, diminishing gradually as we shoulder in some new way the burden of taxation. Before we assent to this measure we must beg to be informed whether the proposals for compensation made by His Majesty's Government throw any light on the future. If Your Excellency cannot answer these questions, if, Sir, you can do no more than repeat the assurance given on the 11th March, I am authorised to say, on behalf of all the unofficial members, that from their point of view, as representing the interests of the Hongkong taxpayer, such an assurance is not a sufficient guarantee against the inevitable financial hardships entailed by the measure proposed. Now I have no doubt that if we oppose this Bill on that ground, the community will be misrepresented widely as being indifferent to the evils of China's national vice, and we shall stand in some danger of being cut off from the prevailing sentiment in England and China. None of us, I imagine, lightly regard the consequences of being cut off, even through misunderstanding, from the main body of our fellow-countrymen in any matter of opinion affecting social ideals. I am keenly aware of the dangers of this. I foresaw and described them a year ago. I regard them as greater evils than financial embarrassment. And because I am jealous of Hongkong's good name I regret the risk which we are compelled to run. Nevertheless, it must be faced. Sir, the community over which you preside accepts, as in duty bound, the assurance of the Secretary of State that "the policy which His Majesty's Government have adopted has been dictated by paramount considerations of their duty to civilization." The employment of such language increases the difficulty of our position. If we resist any detail of that policy we run

the risk of incurring the odium of being supposed to resist the policy as a whole. We do not oppose it. But as to the wisdom of enforcing it by abrupt methods, opinions may vary, and it is still possible to adhere to those advocated so recently by Your Excellency. If the Home Government adopt the contrary opinion they ought to assure us, not vaguely but definitely, of their intentions. In striving to be generous to China they should not overlook Hongkong's just claims to considerate treatment. Consideration of the difficulty of our position should assume tangible shape. The Colony is being coerced into accepting as cover for a certain loss an indefinite promise. It seems neither reasonable nor right to force such a bargain upon us. Let the Imperial Government, through Your Excellency, admit us to a full knowledge of our financial prospects. Let them tell us exactly what they are prepared to do; let them state plainly what proportion, if not the whole, of our prospective loss they intend to accept, and then let them ask us to pass this Bill. This would be reasonable. This would be right. In the absence of any such clear understanding, in the presence only of a vague undertaking, I intend to vote, and I hope my colleagues will vote, against the second reading of this Bill. (Loud applause.)

Hon. Dr. Ho Kai—Sir, one would suppose that the introduction of this bill, which is to carry out the policy of the home government in putting down the consumption of opium in this Colony, and to in some way restrict the dealing in opium here, would meet with very little opposition from the unofficial members, especially from those who have approved of the policy in a qualified way, and who have approved also of the doing away with the opium divans gradually as long as it does not affect the financial arrangements of the Colony. Last year in seconding a proposition by the hon. gentleman who has just resumed his seat, I then declared I did not support this resolution because I think the closing of opium divans is a mistake or is undesirable, or that the opium farm is a benefit to the Colony or a necessity thereto. I therefore stated that if the Government determined to root out the opium dens and abolish the opium farm I for one would not regret, and I was certain the Chinese community would not regret. To-day I am prepared to stand on the position I occupied then. I repeat what I formerly said that I support the policy of the home Government. At the same time I am more than ever alive to the necessity for some definite assurances from the Home Government that the deficit in our finances should be met substantially by the home Government. Now, Sir, you yourself on a former occasion—I think your words have been quoted by the member who has just sat down—on the 11th March this year stated that His Majesty's Government are prepared to ask Parliament to give a substantial grant towards making good the revenue which we have lost as the result of the measures adopted in accordance with the instructions of the home Government. When I received that assurance and looked at it in print I must say that the English was plain enough and I believed that the home Government would act up to their promise and give us that substantial assistance. It has been pointed out to me, however, that these words are too loose, although I did not think so myself, but as my knowledge of English has been acquired since my youth perhaps I may be excused for differing from those who claim English as their native tongue. No statesman worthy of the name in England would depart from a promise which he has given, and therefore I think, Your Excellency, we may expect the aid which has been promised us will be forthcoming. I am, however, here to represent other interests than my own, and therefore I must to a certain extent join in the request that Your Excellency would be so good as to give us the meaning of the despatch which I have just quoted. If the British Government intend to do as they have said in this message they would do, we have very little to fear, and I for one will support the second reading of this bill. But if not then I say the Home Government have taken upon themselves a very great responsibility and their failure to ratify the promise would drag the fair name of Great Britain in the mire and would have a bad effect upon the Chinese population of this

colony, who will be led to believe that the promises of English statesmen are so many meaningless words. Therefore, I join my unofficial colleagues simply in asking for a renewal of that assurance, and if that assurance be given I apprehend that my Chinese colleague and myself will be satisfied and will offer no opposition to the second reading.

The Hon. Mr. HEWETT—After the very eloquent speech made by my hon. friend on the right and that by the hon. senior unofficial member there is very little more for me to say in support of the resolution which I understand is to be put forward that the second reading of this Bill should be postponed until Your Excellency is in a position to give an assurance in the name of the Secretary of State for the Colonies, or on behalf of His Majesty's Government, that we will receive adequate compensation for the loss that will be forced upon this Colony by the policy of the Home Government. The hon. and learned member who has just sat down naturally takes a slightly different point of view to that held by the other unofficial members. We know perfectly well that the existence of the opium farm has always been extremely distasteful to the Chinese. I think Your Excellency pointed out very clearly in the memorandum which you placed before the Council some little time ago that some such restriction must exist. It is surely very much better that the divan expenses and also the opium farm regulations with regard to prepared opium should fall upon the opium farmer rather than upon the Government, which is the alternative. That, I think, is the only difference between the two Chinese members and the other unofficial members of this Council. Coming back to the original question, the first speaker stated that owing to the ambiguity in the Secretary of State's despatch there were grave doubts that the Government's offer of compensation would be sufficient. I think myself that the hon. member might even have gone further. In the extracts from certain despatches read by Your Excellency in your speech of March 11th, it appears that the Secretary of State wrote that whatever compensation might be found to be equitably due to the holders of these licences, it will be provided from the Colonial revenue. That makes it clear that the Home Government has not the slightest intention to fully compensate the Colony for the loss sustained. When we were asked later to pass a vote of \$11,000 for compensation to those divans which we closed under instructions—arbitrary instructions—from the Home Government the point was raised in committee. Your Excellency referred to that on a later occasion at the meeting on 13th May. I gather that Your Excellency seemed to think this was a small matter. I may not be interpreting Your Excellency's remarks correctly—I was prevented by illness from being present, and can only go by the report in *Hansard*, in which you are reported to have said, "I trust, gentlemen, that this explanation is sufficient, and that the Council will not desire it should be understood by His Majesty's Government that we repudiate the views which have been recorded in this Council." I think Your Excellency perhaps hardly understood the protest which was made in the Finance Committee. We did not by any manner of means go back on anything we have said as to the advisability of gradually reducing the consumption of opium in this Colony, and joining with our countrymen in helping China to shake herself free from what is viewed as the curse of the country—a curse which has, no doubt, been very much exaggerated by interested parties. What the Committee considered was the question of the very direct loss incurred by this Colony through the Secretary of State's despatch, and what should be repaid by the Imperial Government. The Colony is incurring a very serious loss, roughly four-and-a-half to five-and-a-half millions sterling a year on the whole of that trade which we have every reason to believe will entirely disappear. As the hon. member on my extreme right has already pointed out, this will necessitate a very great loss to all concerned in the trade and affect the prosperity of the Colony. We are now to face a loss of a trade which has been carried on for fifty or sixty years at enormous value to the Colony, and which has brought a great

deal of prosperity to the place, and we also have to lose all the incidental extra expenses which are incurred by people engaged in this trade who spend their money here. We are still prepared to go on the lines in Your Excellency's memorandum of "gradually and tentatively reducing the consumption of and trade in opium, and not too far in advance of the steps taken by China." I understand that the agreement between the Home Government and India is that the importation is to be reduced ten per cent. per annum. Meantime it is believed China will be gradually encouraging the decrease of the consumption of opium, and also its cultivation. After three years' time it will be reconsidered, and it will then be for China to prove her *bona fides*. The Indian Government and the Imperial Government have not agreed to go on if China is not playing the game. I don't say she is not playing the game, but I think it is impossible for China to entirely abolish the use of the drug in ten years. We consider we should be put on exactly the same footing as the Indian Government if our revenue is going to be taken away. We should have gone on "gradually and tentatively," but instead we have a peremptory order from the Secretary of State to close the divans at once, and it does not seem reasonable to ask a small community struggling to pay its way, weighted down by bad trade and an excessive military contribution—which has been our old man of the sea for many years—expensive works which we are forced to carry out, and on top of that to be ordered that we must straightaway, and not gradually, close the whole of the divans within twelve months. The Secretary of State's promise is of too little value. I think it must be admitted. My learned friend who spoke just now claimed—that was only his fun—that he was not conversant with the English language, but as I have pointed out, the Secretary of State has already distinctly laid down that as far as the compensation for divans is concerned, that that has got to be paid out of the Colony's revenue. That I contend is wrong. In addition, through giving effect to the policy of His Majesty's Government, the Colony must suffer a loss. It seems to me that the Secretary of State has left a wide door open which he can take advantage of, and he has by no manner of means committed His Majesty's Government to fully reimburse us for the substantial loss which I have no doubt we will be able to prove is a very heavy one. I think the hon. member who moved this resolution might have spoken stronger than he did. The words in the Secretary of State's despatch do not necessarily mean that H. M.'s Government propose to ask Parliament to give us what we consider substantial compensation, and unless we get some such assurance from Your Excellency I shall vote against the second reading of this bill.

Hon. Mr. OSBORNE—Lest there should be any misunderstanding as to the position which unofficial members of this Council take with regard to this measure, I should like to reiterate what the hon. member for the Chamber of Commerce has already stated—that there is no divergence of opinion whatever as to the virtue and even necessity of closing the opium divans in this colony; and assisting the Imperial Government to help China to get rid of this curse. But I wish to point out that the whole question hinges upon what is the interpretation of the Secretary of State's word "substantial," and whether his promise was only a promise to merely ask the Imperial Parliament for a grant, or whether it is the intention of the Government to press for a grant. I think if Your Excellency could make it clear to this Council what the promise actually means and if that promise is satisfactory, the second reading of the bill will go through to-day. If, however, Your Excellency can not give a definite promise, or rather a definite interpretation of the word substantial, it would perhaps be better to hold the discussion over until Your Excellency has time to get that interpretation from London.

The ATTORNEY-GENERAL—If the hon. member opposite representing the Chamber of Commerce had read a few lines further on in his quotation from Your Excellency's speech on

the 11th March, 1909, he would have seen the necessity for at once passing the second reading of this bill. Sir, the words which Your Excellency used when dealing with the promise of the Secretary of State with regard to loss that might be sustained in revenue by the action of Hongkong in supporting the policy of His Majesty's Government was as follows: "His Majesty's Government recognise that as a result of giving effect to their policy the Colony's revenue must suffer a loss which it will be impossible for the local Government wholly to replace." The hon. member stopped there, but he should have read on: "The amount of that loss cannot be estimated until conditions which obtain after March, 1909, are known with some degree of accuracy." Sir, the amount of that loss cannot be known until this bill is passed, until the conditions for the new contracts have been made, and when that time arrives His Majesty's Government on their part will be prepared to ask Parliament to give a substantial contribution towards making good to the colony the revenue which has been found to be lost. The promise is absolute and distinct. When the Colonial Government has taken effective steps to give their assistance in the suppression of what is called the opium evil, and it has been found that the consequence has been a definite loss, then His Majesty's Government will propose to Parliament that a substantial grant in aid be given. I cannot conceive words which could be more explicit than the words contained in the despatch. We must accept the plain clear meaning of the language in which the despatch has been couched. When it is ascertained what the loss is Parliament will be asked to pay, not the whole of it as some hon. members would like, but a substantial grant in aid. You will never get any grant in aid until we do our part in suppressing the evil, and the first step is the introduction of this bill. Therefore, I appeal to the hon. member who had just sat down to support the bill, as I believe he would have done had he had the words in mind which I have quoted and which the hon. member for the Chamber of Commerce no doubt inadvertently omitted.

Hon. Mr. HEWETT—I did not leave them out inadvertently. It was not part of my argument.

HIS EXCELLENCY—Gentlemen, the unofficial members who have spoken this afternoon have all, with one accord, called upon me to substantiate, as it were, and to corroborate the promise made by the Secretary of State. The hon. member on my extreme right (Hon. Mr. Stewart) said that the promise was hardly definite enough. The hon. member representing the Chamber of Commerce (Hon. Mr. Hewett) said that the language used was ambiguous. The hon. and learned member on my left (the Attorney-General) has read the words used by the Secretary of State, to which I think nothing can be added to make them as definite and as precise as it is possible for language to be. The Bill now before the Council contains the conditions which it will be necessary to incorporate in the call for tenders for the farm next year. The Secretary of State says that when the conditions are known with some degree of accuracy, His Majesty's Government will for their part be prepared to ask Parliament to make a substantial grant to assist the Colony to meet any loss directly incurred by giving effect to their policy. You will note that he does not say that he as Secretary of State for the Colonies will approach the Treasury (a form of request which the hon. member who spoke first thought it possible might meet with refusal), but speaking in the name of the Government of which he is a member he used the words "His Majesty's Government will ask Parliament." Those words convey an absolute pledge on the part of the British Government. It is impossible for me to adopt the suggestion to telegraph to the Secretary of State inquiring what the promise really means, and whether His Majesty's Government intend to evade their promise.

I am glad to notice that in the speeches which have been made every single member emphatically stated that there was no divergence whatever in the desire to carry out the general policy of the Home Government, and that they all wished to identify themselves with the gradual suppression of opium and with

the desire to help China to get rid of the habit. The sole criticism which unofficial members of this Council have made in regard to the action of the Imperial Government has been that the methods proposed to carry out their purpose have been, in their judgment, not sufficiently gradual in their operation. I would remind you, however, I received, in May, last year, a telegram saying that all opium divans were to be closed forthwith. Since then something over a year has passed, and only a comparatively small number have been closed, and the Secretary of State has agreed that the remainder shall be kept open until March, next year. I think that, in view of the statement which the Government had made to the House of Commons, viz., that the opium divans in Hongkong should be closed forthwith, that this postponement has been a very reasonable concession to opinion in this Colony. Practically for two years the majority of the divans will have been allowed to remain open. Perhaps that is not as gradual as many who are at this table would like it to be, but I think under all the circumstances we may regard it as a very reasonable concession on the part of His Majesty's Government.

There was, if I may so put it, a species of compromise. The instructions that the divans should be closed forthwith were cancelled, and the greater part of them have been allowed to remain open until the end of the current farm. His Majesty's Government, however, stipulated that a certain number should be closed before that date, and also stipulated that any compensation due to them should be paid by us. That was part of the bargain. In return, they said that His Majesty's Government would ask Parliament to make good a substantial part of the loss we incurred.

The Bill now before the Council is, in my view, a necessary preliminary for drawing up the terms of tender for the next farm. This is why it is brought forward to-day, and it is desired to pass it with as little delay as may be. Those who may wish to tender will desire to see the precise terms of the ordinance by which the next farm will be regulated. By passing this Bill the general terms of which I have already submitted to the Secretary of State, and to which he has agreed, we moreover shall have definitely assured ourselves that the policy upon which we are embarking is the policy of His Majesty's Government, and they have stated that they will make good a substantial part of the loss which is the direct result of carrying out their policy. It is important that we should be perfectly certain that what we are doing is part of that policy, so that when this Bill is passed, and has the sanction of His Majesty's Government, any loss which may arise out of its operation may fall within the terms of the Secretary of State's definition.

The senior unofficial member (Hon. Dr. Ho Kai) supported very strongly the general policy of suppressing opium. The Bill before us has a double object. Several clauses have been inserted at the request of the opium farmer. The remaining clauses are designed to give effect to the policy of the gradual suppression of opium.

We propose to take steps to prohibit the sale of opium to women and children, as well as, of course, to abolish divans, and, finally to adopt the system, which I am glad to observe has met with the general acceptance of the council, of reducing each year the number of chests the opium farmer is allowed to draw.

The main drift of every speaker has been to emphasize in the strongest language that this Council look to His Majesty's Government to make good the very clear and definite promise, we have received, and I shall take occasion to bring to the notice of the Secretary of State the views which have been expressed by the unofficial members. For my own part I have no hesitation in saying that the promises which I have repeated are as clear and precise and definite as the English language can make them. (Hear, hear.)

Hon. Mr. MURRAY STEWART:—May I make a personal explanation. Your Excellency referred, or I understood Your Excellency to suggest, that some unofficial member had indicated distrust of the home authorities to the extent of suggesting that they would evade

their promise. For myself I wish to point out that I neither said, nor suggested, nor contemplated any such thing. My whole point was that I do not feel sure that they would interpret their promise to our satisfaction. (Applause.)

Hon. ATTORNEY-GENERAL—That is the same thing as evasion.

HIS EXCELLENCY—I am very glad to have the explanation which the hon. member has made. I am glad that it should be recorded in the proceedings to-day. I must confess that I was under the impression that the remarks of the hon. member and of other hon. members had intended to convey that His Majesty's Government would not attach the same meaning to their words that we attach to them, which amounts in my view to something very like evasion.

Hon. Mr. HEWETT—I move that the bill be read a second time six months hence. This is the only opportunity I have of replying to the remarks made by Your Excellency just now. In bringing forward this motion that the bill be read a second time six months hence I am in perfect agreement with the unofficial members of this Council, because we believe that the compensation will not be what we consider it should be. It will not be adequate. It will not cover all the loss forced upon us through the operation of the policy of His Majesty's Government. It is for that reason we protest against the treatment which the Government at home has meted out to us. It has ordered us to carry a certain policy to a conclusion at a considerable cost, and I think it my duty on behalf of the ratepayers to protest against these undue demands on the Colony. Therefore, I move that this bill be read this day six months.

Hon. Mr. OSBORNE seconded.

On a vote being taken, there voted for the motion—The Colonial Secretary, the Colonial Treasurer, the Registrar General, the Captain Superintendent of Police, the Attorney-General, the Acting Director of Public Works, and Colonel Darling. There voted against the motion—Hon. Mr. M. Stewart, Hon. Mr. Osborne, Hon. Mr. Hewett, Hon. Dr. Ho Kai, Hon. Mr. Wei Yuk and Hon. Mr. Gresson.

The second reading was declared carried by seven votes to six.

The Council went into committee to consider the Bill, which was left in Committee when the Council rose.

HIS EXCELLENCY—The Council stands adjourned till this day week.

FINANCE COMMITTEE.

A meeting of the Finance Committee was held afterwards—the Colonial Secretary presiding. The following votes were passed.

INCIDENTAL EXPENSES.

The Governor recommended the Council to vote a sum of one hundred and fifty-five dollars (\$155) in aid of the vote, Judicial and Legal Departments, Land Registry Office, Other Charges, Incidental Expenses.

The Governor recommended the Council to vote a sum of eighty dollars (\$80) in aid of the vote, Judicial and Legal Departments, B.—Magistracy, Other Charges, Incidental Expenses.

VICTORIA GAOL.

The report of the Superintendent of Prison, laid on the table of the Legislative Council, yesterday, states:

The number of prisoners received into prison during the year and the corresponding number for the year 1907 were as follows:—

	1908.	1907.
Convicted by Ordinary Courts	4005	5,027
Convicted by Courts-Martial	18	9
Convicted by the Land Courts	—	1
Convicted by the Capt. Supdt. of Police	1	6
Convicted by the Commodore, R.N.	—	1
Supreme Court for China and Corea	—	6
High Court, Weihaiwei	3	—
Debtors	86	94
On remand or in default of finding surety	665	733
	4,778	5,877

There was thus a decrease of 1,099 on the total number of admissions as compared with the year 1907. There was also a decrease of prisoners convicted for larceny during the year under review, the number being 845 against 963 for the previous year.

The number of prisoners admitted to prison for offences not of a criminal nature was 2,803, made up as follows:—

Convicted by Courts-Martial	18
Convicted by the Captain Superintendent of Police	1
Debtors	86
Convicted under the Opium Ordinance	630
Convicted under the Gambling Ordinance	452
Convicted under the Market Ordinance	309
Convicted under the Arms Ordinance	20
Convicted under the Vehicle Ordinance	43
Convicted under the Sanitary Bye-laws	43
Convicted under the Harbour Regulations	138
Convicted under the Weights and Measures Ordinance	1
Convicted for Drunkenness	33
Convicted for Cruelty to Animals	4
Convicted for Trespassing	82
Convicted for Disorderly conduct	318
Convicted for Vagrancy	30
Convicted for Contempt of Court	2
Convicted for Assault	137
Convicted for Obstruction	77
Convicted for Cutting Trees	63
Convicted for Fighting	16
Convicted for Mendicancy	40
Convicted under the Post Office Ordinance	2
Convicted under the Police Ordinance	1
Convicted for Rogue and Vagabond	95
Convicted under the Women and Girls' Protection Ordinance	24
Convicted under the Stowaway Ordinance	116
Convicted under the Servants' Quarters Ordinance	17
Convicted under the Chinese Wine and Spirit Ordinance	5

Total 2,803

The above figures show that 68 per cent. of the total admissions to prison were for non-criminal offences.

There were 4,027 prisoners committed to gaol without the option of a fine and 143 juveniles were admitted, 44 of whom were sentenced to be whipped in addition to various terms of imprisonment.

It is interesting to note from the report that the percentage of prisoners to population was in 1908 the lowest recorded. It was 110 as compared with 121 in the previous year.

The value of prison labour in 1908 was \$15,110.45.

BELILIOS PUBLIC SCHOOL.

The prizes so kindly given annually by Mr. R. E. Belilios to the pupils in Belilios Public School who excel in the subject of English composition were yesterday presented to the successful candidates by Mr. E. A. Irving, Inspector of Schools. The following are the names of the prize winners:—

Mabel Long, Rose Ahlong, Mabel Mooney, Yahara Alarakia, Tung A Nui, Cheung Fook To, Li Tsing Lim, and Chan Bik Harm.

A vote of thanks was accorded to Mr. Belilios and Mr. Irving on the motion of Mabel Long, the dux of the school.

OPIUM SMUGGLING.

Early yesterday morning an excise officer stopped a Chinese passenger who was leaving the river steamer *Tak Hing*, and told him he intended to search his luggage for opium. The luggage contained five suspicious-looking tins, which the owner strongly objected to the officer examining. He informed the opium searcher that the tins contained twenty cent pieces, and that it would not be advisable to steal them. The officer took the passenger to the Police Station where the tins were searched, and were found to contain four taels of prepared opium. When charged before Mr. F. A. Hazeland at the Magistracy yesterday the passenger still asserted that the tins contained twenty cent pieces, but when called to the witness stand he stated that another man handed him the boxes and ran away. His Worship held the charge proved and imposed a fine of \$300, the alternative being two months' imprisonment.

SHIPPING NOTES.

A message from Honolulu states that officers of the United States army transport *Dix*, who have been experimenting with Philippine coal on that vessel, report that the coal from the islands has excellent steaming qualities and has proved very satisfactory on the *Dix*.

A message from Boston, dated May 14, states that officials of the Pacific Mail Steamship Company denied that any plan was under consideration for the abandonment of its Oriental service, but admitted that no profits were being derived from the service and added that, if there was not a change within a year or so, it might be deemed advisable to cease running freight vessels between those points. It was also stated that the company's line operating along the Pacific coast from San Francisco to Panama was doing a very poor business.

According to the *Tokyo Asahi*, translated by the *Japan Gazette*, the British steamer *Inverclyde* while leaving Yokohama for Yokkai-chi about 3 p.m. on the 31st ultimo, collided with the T.K.K. steamer *Tenyo-maru*, striking her on the starboard side. Five plates of the Japanese vessel were slightly bent near the third hatch. Captain Lea, of the *Inverclyde*, immediately paid a visit to the *Tenyo* while the Harbour Office sent an official. The *Tenyo* was, however, allowed by a Lloyd's surveyor to resume her voyage, leaving Yokohama for Hongkong at 10 p.m. on the 1st instant.

The two magnificent turbine steamers *Heliopolis* and *Cairo*, built by the Fairfield Shipbuilding Co. for £650,000 for an ultra-luxurious express passenger service, much advertised at the time, between Marseilles and Egypt, were put up to auction at the Baltic Exchange saleroom, on behalf of the builders. The vessels were built only last year. The upset price for each steamer was only £150,000. There was a large and interested crowd of shipping people at the sale, but they were not interested enough to bid—possibly of the difficulty of finding remunerative work for such unusually fine vessels. The steamers are of nearly 11,000 tons gross, and fitted with triple-screw Parson's turbines, and on their trial trips made nearly 21 knots. They have accommodation for 709 first and 231 second class passengers.

In the Osaka Marine Court on Wednesday, the 2nd instant, an inquiry was held to investigate into the circumstances surrounding the stranding of the C.P.R. steamer *Empress of China* in the Inland Sea, while on her way from Nagasaki to Kobe on February 19th last. Captain J. S. Steavenson, the pilot, was examined at great length. In the course of his evidence the Pilot made the following important statement:—

"On the last trip up the Inland Sea, on the *Empress of China*, May 14th, Captain Archibald came on the bridge shortly after 9 a.m. The ship was then off Kominase Shima, and after saying 'Good-morning' to me, he called the 2nd and 3rd officers over from the port side of the bridge, to where Captain Archibald and I were standing, on the starboard side, and then in front of us three said: 'I know how our accident happened. There may have been a little set, but it was due to bad steering.' The Captain then continued to caution both officers about watching the steering. And it is rather remarkable that when the *Empress of China* arrived at Vancouver after her grounding, both the 4th officer, Johnson, and the Quartermaster, Thompson, who were responsible for the steering and course that morning from 4 to 6 a.m., were dismissed."

Asked whether he knew for what reason these men were discharged, witness said he understood Thompson was discharged because he was a bad helmsman.

The Court asked why witness did not see that the quartermaster carried out his instructions properly. Witness replied that it was impossible for one man to attend to all these matters on a foggy night, with the steamer travelling at the rate of fifteen knots an hour.

Mr. D. W. Craddock, General Traffic Agent of the C. P. R. Royal Mail Steamship Line, informed us yesterday that he was in receipt of a cable from Yokohama advising that a wireless message has been received from the *Empress of China* to the effect that she will reach Yokohama at 7 a.m. on the 16th inst. The ship left Vancouver one day late, and as the 16th is her correct date of arrival at Yokohama, she has made up one day on the voyage. To secure information of this kind, proves the usefulness of the wireless system.

CORRESPONDENCE.

THE COST OF THE RAILWAY.

[TO THE EDITOR OF THE HONGKONG "DAILY PRESS"]

SIR,—“From the tax-payers point of view” do you not under-state the financial aspect of the railway in your leading article to-day?

As I understand the position, it is, shortly, this: Three years ago the Legislative Council sanctioned a loan for railway works up to £2,000,000. The Government thereupon obtained from the Crown Agents a loan of £1,100,000 at 3½ per cent. which they lent to the Chinese authorities at 4½ per cent. for the purpose of redeeming the concession of the Canton-Hankow railway, the loan to be repayable in ten annual instalments.

The payments made by the Chinese authorities on this account are being devoted to financing the construction of our own railway, which is to cost not less than—probably considerably more than—£1,000,000. Now, our railway will be open to traffic next May or June, and will, I take it, be entirely completed by the end of 1911, that will be, say, five years from the time it was commenced.

If, then, the railway costs over a million sterling, and the Chinese authorities have paid back in the time only half that sum, it follows that the Colonial Government will have had to obtain from the Crown Agents a further advance of half a million pounds sterling; so that in 1911 this Colony will have a railway loan of £1,500,000, on which we shall have to pay 3½ per cent. By that time, we shall be receiving interest from the Chinese authorities on half a million only (roughly), and the Colony in 1911 will have to provide for paying to the Crown Agents interest at 3½ per cent. on a million pounds sterling, i.e. \$350,000 out of a rapidly declining revenue.

Is not that the position?—Yours &c.

TAXPAYER.

[We think our correspondent correctly states the position.—ED.]

DEATH OF A BRITISH VICE-CONSUL.

Death has removed another promising young man from the British Consular service in the person of Mr. Alfred John Flaherty, British Vice-Consul of Shanghai, in charge of the Land Office, who died at the General Hospital on the 11th inst. after a short illness. The deceased, the *Mercury* says, was removed to hospital some days ago suffering from appendicitis. At first no serious results were anticipated by his medical attendants, but a change set in and an operation was decided upon several days ago. The shock, however, was too great, and as already stated, the deceased succumbed this morning. The deceased was a native of Ireland and was born on the 19th August, 1878. After leaving school he passed his examination in July, 1898, and was appointed student interpreter to the Legation at Peking the same year. He was stationed at the capital during the Boxer siege of 1900 and rendered valuable services in the defence of the Legations and received the China Medal and clasp. In 1902 he was promoted second class assistant and from October, 1904, to February, 1905, he was Acting Vice-Consul at Tientsin, Acting Consul at Changsha 1905 Vice-Consul at Hankow 1906 and in August the same year he was promoted first class assistant and transferred back to Tientsin. Recently he came to Shanghai with the rank of Vice-Consul in charge of the Land Office. During his short stay he made hosts of friends by his obliging and engaging manners.

SUPREME COURT.

Friday, 11th June.

IN SUMMARY JURISDICTION.

BEFORE MR. H. H. J. GOMPERTZ
(PUISNE JUDGE).

A RETURNED CUMSHAW.

James William Dearing was the defendant in an action brought by Chun King, who claimed \$60.50, \$45 for wages and \$15.50 for a gold ring, which plaintiff got made at defendant's request.

Plaintiff stated that he was employed by defendant as boilermaker at \$45 a month. He started work on April 8th and was discharged on May 25th.

Defendant said he came to the Colony on April 3rd to put up a new gas-holder at the Gas Works, plaintiff came to him with several references and he engaged him at the rate of \$1.50 a day. Plaintiff said he would like to have it once a month and defendant said plaintiff and the others were engaged on daily rates. On 18th May, when he inspected their work, he found they had cut the plates wrongly, and he had to engage labour to take out the plates and replace them. It would cost defendant £100 to make good what plaintiff and the others had done. He discharged them on the 19th May. When defendant had been about four days in the colony, plaintiff came to him and asked the size of his finger. Five days later he returned with a ring and said "this is cumshaw for master." Defendant discharged them on the 19th, and paid them their wages, with the exception of plaintiff, because he wished to know what damage he had done. Defendant wished the case adjourned, for a week in order to bring the plates which plaintiff had damaged.

His Lordship—Is your name on the ring?—Yes. It is scratched in.

He asked for your name?—Yes.

His Lordship (to the plaintiff)—Did you give a ring to the other foreman?—Yes, because he recommended me and ought to get something.

His Lordship said defendant had only just arrived in the Colony and it was not likely he would try to squeeze plaintiff. He advised defendant to file a counter claim and also to return the ring, which he was sure was given him as cumshaw. If plaintiff wished to proceed with his claim for wages, the case would be adjourned. Defendant would not consent to pay plaintiff twenty day's wages and the case was adjourned.

THE PRICE OF A TALKING MACHINE.

The Robinson Piano Company sued W. A. Howell for \$107.20. Defendant did not appear and Mr. Reich, the manager of plaintiff company stated that the money was the price of a talking machine and records. Of the amount \$40 had been paid on account.

Judgment was given for \$67.20.

Friday, June 18th.

IN CRIMINAL JURISDICTION.

BEFORE HIS HONOUR THE CHIEF
JUSTICE (SIR FRANCIS PIGGOTT).

UTTERING A FORGED BANK NOTE.

Chung Ho was indicted on charges of uttering a forged bank note, and being in unlawful possession of a forged bank note.

Accused denied the charges, and the following jury was empanelled:—Messrs. G. P. Herry (foreman), A. Detmers, E. F. McNeill, S. Musso, W. E. Gätjens, A. Davidson and H. E. Lesebrock.

The Attorney-General (Hon. Sir H. S. Berkeley, K.C.), who was instructed by Mr. Denny, Jr., from the office of the Crown Solicitor, informed the jurors that the bank note which the accused attempted to pass was a \$10 bank note on the Chartered Bank. The prisoner went to the Hongkong Cinematograph show and to purchase some tickets tendered a 10 bank note. The person to whom the bill was tendered asked the prisoner where he got it, whereupon the latter turned tail and fled. A witness who was standing by chased and caught him, and the note he tendered, on being examined, was proved to be a forgery. The prisoner

appeared to have been a man in a way of business who, it might very well be believed, had a knowledge of bank notes. The sole question for the jury would be whether the man who put off the forged note knew at the time that it was a forgery. If they thought the man's conduct justified such an inference they would find him guilty; otherwise, they would find him not guilty.

Prisoner was asked if he wished to make a statement, and replied—"I am not particular whether I make a statement or not. Then he told the Court and jury that he got the \$10 note in the country in the course of business. On his return to the Colony he went to the cinematograph and asked for two fifty-cent tickets. A man caught hold of him and said he was trying to pass a forged note. He was given a push which caused him to fall forward, and then he was accused of running away.

The jury returned a verdict of guilty and his Lordship sentenced the prisoner to two years' imprisonment with hard labour.

ROBBERY.

Tsang Kwai and Ho Leung Sam were arraigned on a charge of robbery in Des Voeux Road on May 5th.

Prisoners pleaded not guilty, and the same jurors sat as in the previous case.

The Attorney-General stated that the prisoners were charged with the robbery of a large sum of money from three Hoklo cattle dealers. It appeared that on May 5th these cattle dealers came down from a place called Shanmi in China, bringing with them some 14 head of cattle which they sold in Hongkong for some \$700. This amount, which was in notes, they took to a money-changer's and changed into subsidiary coins of various provinces of the interior. On their way home on the 5th, with the money in a bag, three men accosted the cattle dealers at West Point and accused them of having illicit opium on their persons. The man carrying the bag of money dropped it, whereupon one of the three men picked up the bag and ran with it to a ricsa, while the other two prisoners assaulted the Hoklo men violently. Then they rushed after the man who had put the bag of money in a ricsa. One of the men got into the shafts and the other pushed behind, and thus the three escaped. It was a very clever robbery, and all the men implicated were said to be rich coolies. The persons robbed informed the police, and very shortly afterwards the two prisoners were arrested. The third man, however, had never been seen since. When the prisoners were arrested, \$100 in notes was found in the box of one of them. The suggestion of the prosecution was that the subsidiary coin had been changed.

After hearing the evidence the jury returned a verdict of guilty, and his Lordship sentenced the first defendant to four years' imprisonment with hard labour. The second defendant was sentenced to two years' jail with hard labour, his Lordship, taking into consideration his youth the second man being only eighteen years of age.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. H. H. J. GOMPERTZ
(PUISNE JUDGE).

INJURIES TO A DOG.

Mr. Hott, chief timekeeper on the British section of the Kowloon-Canton Railway, brought action against Constable Grant, claiming \$220 for injuries caused to his dog by revolver shots.

Mr. A. Holborow (of Messrs. Deacon, Looker and Deacon) appeared for the plaintiff, and Mr. P. W. Goldring (of Messrs. Goldring, Barlow and Morrell) represented the defendant.

Mr. Goldring said he thought that if his Lordship would allow argument on a preliminary point it would shorten the case. His preliminary point was that the constable was privileged to destroy dogs at any time.

His Lordship—Are you agreed about the facts?

Mr. Holborow—No. If the defence is a good one, Mr. Goldring can raise it later.

The case was adjourned.

IRON OR EVIDENCE?

The case was continued in which J. W. Dearing was sued by Chun King to recover \$45 for wages and \$15.50 for a gold ring which plaintiff got made at defendant's request.

Since the last hearing Mr. Dearing had issued a writ claiming \$200 for value of iron spoiled by defendant.

When the case was called on yesterday defendant asked for an adjournment, stating that he wanted to get more iron.

His Lordship—There is no good of bringing iron; you must bring evidence.

Plaintiff asked that the case should be proceeded with, as he wanted to go to Amoy.

His Lordship remarked that he had told Mr. Dearing to bring his evidence, and asked if he could get it by to-day.

Mr. Dearing said he could, and the hearing was adjourned until this morning.

HEAVY INTEREST.

A Chinese cook in the employ of the Sugar Refinery Co. was sued by an Indian money-lender for the recovery of \$15 which he had advanced at \$1 per month interest. The claim and costs amounted to \$32 odd, as well as \$15 for professional costs. A verdict was given for the amount, but his Lordship remarked that in the circumstances he would make an order for payment of \$2 a month, the first payment to be made that day.

Saturday, June 19th.

THE OBJECT OF "CUMSHA."

The case concluded in which Mr. J. W. Dearing was sued by Chun King, a Chinese boilermaker, to recover \$45 due for wages, and \$15, the value of a gold ring. Defendant counterclaimed for \$200, value of iron spoiled by the boilermaker.

Gunda Singh, on being sworn, deposed to being a watchman at the Gas Works. He had been instructed by Mr. Dearing to see that the plaintiff came to his work at the proper time. He was supposed to begin work at seven o'clock in the morning, but sometimes did not start until eight, half-past eight or nine o'clock. No attendance book was kept.

Witness was then cross-examined by plaintiff:

Is it not a fact that when I start work at 6.45 a.m. your son is on duty, not you?—The other watchman there is not my son.

Mr. J. W. Dearing testified to employing the plaintiff as a foreman boilermaker. Plaintiff was responsible for everything that went wrong on the work. Witness produced a number of iron plates the joints of which he alleged plaintiff had cut, thereby rendering the plates useless.

In cross-examination Mr. Dearing said it was not a fact that plaintiff, as foreman, did the work according to his instructions. The plaintiff was responsible for everything.

Do you not chalk out the rivet holes, and do I not make them according to your chalk mark?—No.

Did you not tell me when these plates arrived here that they had not been tested, and that I was to test them?—Certainly not.

Were not the joints in the plates too long, and did you not instruct me to make them shorter?—No.

On May 19th when the work was completed did you not order a photo to be taken?—The works are not yet completed. The photo you mention shows the bottom of the tank.

His Lordship, in giving judgment, advised Mr. Dearing to return the ring to the plaintiff, remarking that it was not a good thing for Europeans to take presents from Chinese. The reason why Chinese gave presents was because they wanted to be dealt with leniently—not what Mr. Dearing's employers at home would wish for. Defendant's claim was non-suited, and he was ordered to pay the plaintiff \$22.80, nineteen days' wages.

A very pretty wedding was celebrated at the Union Church Shanghai last Monday. The bridegroom was Mr. Denis Ewart Donnelly, of Messrs. Shewan, Tomes and Co., and son of Mr. A. R. Donnelly, a well-known resident for many years at Chefoo and now agent for Messrs. Ehlers and Co., Ningpo. The bridegroom is perhaps one of the best known and most popular of the young men of Shanghai, being apparently equally at home in the business, sporting and social worlds. The bride was Miss Isabella Elizabeth (Belle) Johns, daughter of Captain Richard Johns, agent to Messrs. Jardine Matheson and Co. at Wuhu.

SERIOUS FIRE ON THE S.S. "KUTSANG."

FIRE-FIGHTERS HALF-SUFFOCATED.

The Indo-China Steam Navigation Co.'s steamer *Kutsang*, which cleared for Singapore last Wednesday, returned to port on Sunday morning at seven o'clock flying the signal "fire in the hold." She anchored in the western part of the harbour, and later proceeded to her usual buoy west of Blake Pier. The fire brigade from Hongkong and Kowloon, under Lieut. C. W. Beckwith and Superintendent Lane, were conveyed aboard to render assistance, the fire float also being run alongside. When the firemen boarded the vessel the hatches were removed from No. 4 hold, and the hold was filled with water to a depth of about eighteen feet.

The *Kutsang*, as previously stated, left for Singapore on Wednesday, having on board a general cargo and nearly 200 Chinese passengers. On Friday the fire was discovered by a Chinese passenger who, observing smoke issuing from one of the ventilators, reported the matter to the Chief Officer. The vessel was then hove to for some twelve hours, and the hold was partly filled with water with the object of extinguishing the fire. But as it continued to smoulder, Captain Bradley decided to put back to Hongkong.

When the hold had been flooded yesterday, partly pumped out again, and after the smoke had been given time to clear off, the firemen went down to combat the fire. But the brigade had no light task before them. Apart from the excessive heat, obnoxious gases were generated, it is believed, through the burning of chemicals or the heating of iron, and it soon became apparent that it would be dangerous for the firemen to remain long below.

The fact was first borne in upon the Superintendent of the Brigade by the collapse of a number of Chinese firemen, whom it was necessary to remove to the deck to resuscitate. When the men were brought round, however, three were found to be in so serious a condition that it was thought advisable to remove them to hospital. Then the European firemen began to feel the effects of the poisonous gases, and Sergeant Kendall, Lance-Sergeant Edwards and a constable had to be removed from the hold. When once in the fresh air, however, they soon revived, the ship's doctor rendering every assistance.

It was about noon when the first batch of firemen went off and reliefs continued at work during the afternoon; and although the fire was believed to be extinguished by five o'clock a number of firemen remained on duty on board as a precaution against a fresh outbreak. The cause of the fire is unknown, and the damage yesterday was not ascertainable, but it is believed to be considerable.

Captain Bradley has been rather unfortunate of late, for it will be remembered that only a few months ago the same steamer struck a rock in the Haitan Straits, had to be beached, and when part of the cargo was lightered taken on to Shanghai for repairs.

ILL-TREATING A CHILD.

At the Magistracy on the 11th inst. Mr. F. A. Hazeland heard the case in which a Chinese woman was charged with ill-treating a child eleven years of age.

Inspector Murison prosecuted, and Mr. Reader Harris (of Messrs. Wilkinson and Grist) appeared for the defendant.

Inspector Murison informed his Worship that a Mr. Shellim took the complainant to the Central Police Station and informed him that the girl would not leave him. She complained of having been beaten.

Complainant told the Court that her mistress had beaten her many times with a cane, and in cross-examination she stated that she had climbed railing when forbidden to do so.

Dr. Koch testified to examining the child, and he was of opinion that she had received a severe beating. All the bruises had been made within a month.

In cross-examination he stated that he did not think any of the bruises could have been caused by a fall. Any particular one might have been caused by a fall on a pailing.

Defendant was then called to the witness-stand, and stated that the complainant was sometimes disobedient. The bruises on the body of the latter were caused through pinching, while those on the arm were scratches caused through climbing. The cane before the Court she borrowed from a neighbour "to strike bugs." On her last appearance at the Magistracy she was bailed out, but did not appear again because she was sick.

His Worship—Why didn't you send someone to tell me?

Defendant—I had no one to send.

Mr. Harris asked his Worship to reconsider the matter of bail.

His Worship said he found as a fact that the bruises were the cause of a beating. There was no doubt it was common among Chinese to use the rattan, and his Worship did not think they really appreciated the serious nature of a beating by a rattan. He was quite satisfied that the complainant was a very naughty child indeed, and the defendant would have been quite justified in giving her a beating. But the question he had to decide in this case was whether it was excessive or not. If not, it was quite lawful, for a person *in loco parentis* was quite justified in giving a child a beating. He was clearly satisfied, however, after hearing the evidence of Dr. Koch, that the beating was excessive. He proposed to take into consideration the fact that the woman's bail of \$50 had been estreated, and would order her to pay a further fine of \$10.

SIR FREDERICK LUGARD, K.C.M.G.,
C.B., D.S.O.

BY COMMANDANT DARNLEY STEWART-STEPHENS.

With the exception of a trifle of the no longer dark continent, we of the present generation know the configuration of our globe fairly well, and so the exploration and development of Inner Africa is the only outlet for that spirit of adventure and enterprise which in the past found its expression in the person of Hawkins, a Drake, or perhaps a Cavendish, who sailed "far out," animated by a spirit to rectify a deficit in the family budget, but moved no less by a huge desire to penetrate the Unknown. And, had these gentlemen's adventures lacked the support of their Sovereign and Ministers sitting at home, the boundaries of our vast Empire would have stopped at the Cirque Ports.

Which brings me to that *fin-de-siècle* Clive, Sir Frederick Lugard, the untiring explorer and soldier-statesman, whose capacity and courage, so memorably displayed in the winning to Britain of Uganda and the great Niger basin, would have accomplished no more enduring results than followed in India the brilliant achievements of the Gallic rivals of Clive, gallant Dupleix and poor Labourdonnais, if he had not found in the temper and genius of Lord Rosebery and Mr. Chamberlain that sympathy and co-operation that so largely lent to the successful results of his memorable journeys on both sides of the tragic continent. Lugard's is the one instance I know of where, in the long story of the opening up of Africa, inflexible resolve, tempered by a powerful infusion of "God's own common-sense" has met with meet and almost immediate reward.

A trio of my dearest friends, who were each in their own time leaders in the noble mission of throwing open to the outer world the sealed regions of mysterious Africa, departed for the happy hunting-grounds with but scant mark of official recognition in the cases of Sir Richard Burton and Captain Lovett Cameron, and none at all in that of that most perfect of Nature's knights, Joseph Thomson, who found a bloodless path from the Indian Ocean to the shores of the Victoria Nyanza.

But to the present Governor and Commander-in-Chief of our great Far Eastern Dependency, better fortune was accorded. He stands forth in my recollection of our last meeting, which took place at Boussa, on the Mid-Niger, at almost the exact spot where Mungo Park, one of the original pioneers of African discovery, met with an inexpressibly sad end, a tall, "hard-trained" figure, without an ounce of adipose tissue to

spare, bright, keen, grey eyes, a dark brown, heavy moustache, an exact copy of the fashion in which Richard Burton wore his, and which gives to Colonel Lugard, as it did to the discoverer of Lake Tanganyika, a suggestion of ferocity, that is, however, more apparent than real; strongly marked aquiline features, also, as in the case of Captain Burton, curiously reminiscent of the profile of an Arab nomad, and burnt to the colour of a pigskin cigar-case. Such is the outer man of the most romantic of our latter-day Empire-builders, who, one night when we were fellow-passengers from that Golgotha of our time—otherwise written West Africa—spun to me the story of his first intrusion into that mighty slice of the earth's surface where, according to old Herodotus, "always is to be found something new." Quoth Lugard: "With forty sovereigns in my belt and with practically no outfit at all, except a well-tried '45 express rifle, paid for in India in the absence of funds by shooting man-eating tigers with rewards on their heads, I boarded a tramp at Gib., where my regiment was stationed, and sailed as a second-class passenger for Naples, and afterwards for Suez, on the off-chance of being permitted to be a witness of a big action which was impending between the Italians and Abyssinians. Too soon I found my sovereigns running down, and I was driven to strange shifts and expedients. In the exigency of rapidly-diminishing financial resources I took a deck passage in a timber ship bound for Massowah, and slept at hazard among the deck cargo. The necessities of my position drove me for my morning bath to the fore-castle and a bucket of water among the sailors; and for my meal of broken victuals with the Italian cook in the galley alongside the engines—this in the summer in the Red Sea, where the heat was such as would grill a black stoker. Adversity finds us strange bedfellows. A Genoese, who spoke a little English, the boatswain of the steamer, had become my friend; I saw him seldom, but though I was herded with Arab pilgrims he saw through my disguise, and told me that he knew that I was a *gentilhomme*, and, impulsive but sincere, he surprised me one evening by suddenly saying, with a lurid imprecation, 'I do anything for you. You want shirt? Here is my other shirt. I give it to you because I see you have good heart for some of these poor black people.' I am rather inclined to believe the ex-High-Commissioner of Northern Nigeria and present Governor of Hongkong has proudly retained that opportune undergarment of the good-hearted boatswain as a memorial of the days when, in the early nineties, he set forth to savage Africa, as a gentleman adventurer, on that wonderful career of professional advancement and kudos, which he never could have hoped to have attained had his life been confined to buffooneries of the parade ground and the red tapery of the orderly room. His name is written large on the African map as having been the means of transferring to English authority independent native kingdoms that had existed for centuries as centres of cruelty and rapine, and of a verity there can be but few of his countrymen who would grudge "Freddy" Lugard his present magnificent appointment.—*Imperial Review*.

GREAT EARTHQUAKE IN WEST SUMATRA.

TWO HUNDRED AND THIRTY LIVES LOST.

A Batavia telegram to the *Straits Times* dated the 11th inst. says:—

Official reports have been received from Korintji of terrible earthquakes which continue unceasingly.

Several kampongs have been destroyed, and nearly all the rivers are in flood.

Up to the time of wiring, the number of deaths is 230. Many people have been injured.

Mount Korintji is inland from Indrapura some fifty miles and is in the main range of mountains running down the coast of west Sumatra. It is approximately 100 miles from the seacoast town of Padan. Near by is the large Korintji lake, formed in the merged craters of volcanoes which are supposed to be extinct. There are many such lakes in this region.

RAILWAY DEVELOPMENT
IN CHINA.

PAPER BY MR. A. J. BARRY.

(From our London Correspondent).

An important paper on "Railway Development in China" was read on Wednesday evening (May 19) at the Royal Society of Arts by Mr. Arthur John Barry M.I.C.E. The occasion was the twentieth ordinary meeting, and the chair was taken by Sir John Wolfe Barry K.C.B., F.R.S. Vice-President of the Society. There was a good attendance.

In the course of a lengthy and interesting paper Mr. BARRY said:—During the last ten years I have been closely connected with railway development in China, and, visiting the country as I do at short intervals, I may claim to have had favourable opportunities of watching the recent changes in the attitude of the Chinese towards railways. It has appeared to me that, from a frame of mind which led them to regard railways rather as a regrettable necessity, especially regrettable inasmuch as a measure of foreign assistance and control was necessary, the Chinese have gradually come to realise that the development of their railway system is a matter of prime importance to their country.

After dealing with the evolution of the railway in China and the history of the old Shanghai-Woosung line, Mr. Barry stated that if official opposition was now a matter of history, popular superstition still existed.

Mr. Barry sketched the condition of affairs preceding the 1894 war, and detailed the events that followed. He referred fully to the position taken up by France, Germany, and Russia on the question of railway expansion, and said in due time these various political aspirations took concrete form, and as a result the following railways came into being:—

First, the Russian railway, called the Eastern Chinese Railway, from the station on the Siberian railway called Manchourie, through Tsitsihar and Harbin to Vladivostok, with a branch from Harbin to Yingkow, Port Arthur, and Talienwan.

Secondly, in the south, the French projected the railway from Lao-kai to Yunnan, which it is expected will be completed next year.

Thirdly, the German railway in Shantung between Kiaochau and Chinan Fu.

This group of railways owes its origin to political rather than commercial aspirations. They are to all intents and purposes the property of the three countries named, and to them must now be added Japan, who is the proprietor of the South Manchurian Railway. China has little or no control over them; they are concessions in the true sense of the word.

In the case of the remaining railways, the sovereign rights of China are not impaired and although the instruments under which the capital has been raised are frequently called concessions, the word is a misnomer as applied to them. Mr. Barry then referred to the Peking-Hankow, Hankow-Canton and the Shanghai-Nanking railway, and coming to the Canton-Kowloon railway he said:—

In the case of the Canton-Kowloon Railway the Chinese insisted on the following modifications of the Shanghai-Nanking Railway terms. Instead of the railway being managed by a Board of Control on which the bondholders are represented, a Chinese managing-director was substituted, in whose hands the management of the railway is vested both before and after construction. Instead of the chief engineer being appointed by the representatives of the bondholders, he was to be nominated by them subject to the approval of the Chinese. Instead of the direction of the work of construction and the subsequent management of the railway being in the hands of the chief engineer, his functions on the Canton-Kowloon Railway are limited to those of adviser to the managing director, but it was agreed that no payments may be made from the loan funds except on requisitions countersigned by the chief engineer.

The Canton-Kowloon Railway is a very important line, 100 miles in length. It starts at Canton, the great commercial centre of South China, and terminates at the frontier of the British leased territory of Kowloon by a junction with a very expensive and heavy section of railway 20 miles long that the

Hongkong colony are constructing to complete the connection between Hongkong and Canton. In the future, if all goes well, by means of this railway Hongkong and Canton will be put in direct railway communication with Hankow, the future Clapham Junction of the great trunk lines of China, and thence with Peking itself, so that before many years it should be possible to take a railway ticket at Victoria Station to Hongkong via Berlin, Moscow, Siberia, Peking and Hankow.

The amount of the loan is £1,500,000, and although rather serious delays in getting possession of the necessary land have involved unnecessary expenditure, the railway is likely to be completed for the amount of the loan, or at any rate very nearly so.

When, after the signature of the final agreement for the construction of the Canton-Kowloon Railway negotiations were commenced in connection with the final agreement for the Tientsin-Pukow Railway loan, the Chinese Government demanded still further concessions from the financiers.

They agreed that the chief engineer should be an experienced European, but they insisted that he should be appointed by themselves, subject to reasonable approval, and that he should be under the orders of the Chinese managing director.

They would not consent to the appointment of a European accountant, and retain in their own hands complete control of the funds derived from the loan, subject only to the conditions that loan funds should be drawn upon on a requisition signed by the Chinese managing director, who is to certify for what the money is required. The bondholders have the right to send a representative to examine the Chinese accounts at intervals.

Mr. Barry then dealt with the present complicated state of affairs and said:—So far as the bondholder is concerned, inasmuch as the Chinese Government have guaranteed his interest whether the railway pays or not it does not perhaps much matter whether the money lent is being wasted, except that it is pretty certain that if the Chinese Government were to become responsible for many more railways of this kind they will find themselves unable to pay; I think, however, there is little doubt that the Chinese shareholders in the local companies may make up their minds to it that they have lost their money; in fact, I believe that many of them have made up their minds to this already.

The Chinese Government suffer most from this unfortunate state of affairs—not only is money for which they are responsible being wasted, but the principle of State ownership for all railways, so necessary for the best interests of China, is being violated; and lastly, but very far from least, the Chinese Government have been forced by uninformed and irresponsible provincial clamour into the position of having failed to uphold their reputation for reliability in the observance of their agreement—a reputation so difficult to establish, so easy to lose.

Referring to the present condition of affairs in connection with the Hankow-Canton Line, Mr. Barry said:—There has been so much said and written lately, on this subject, that a compromise with the Germans and other nationalities concerned, appears to have been arrived at which, at any rate, secures British interests so far as the Hankow-Canton Railway is concerned, even if at the expense of some of the recognised British interests in connection with the projected Hankow-Chengtzu Railway. This compromise is perhaps likely to be hailed with chastened enthusiasm by a large number of people in this country, who are interested in China, but taking into consideration all the complicated and rather delicate circumstances of the case, it will probably be regarded by the majority as a reasonable solution of a difficult problem.

As to the future, I will not be guilty of the rashness of attempting to prophesy. We may, however, at least note the principal data upon which the problem of the future is based. It is certain that China is fully alive to the advantages of railways and is now as anxious to build them as at first she was opposed to their construction.

That the Chinese railway system is in its infancy goes without saying. The railway system of India, for example, is only partially developed, but with a population of about

240,000,000 India can at least boast of about 30,000 miles of railway, whilst China, with a population greater by, perhaps nearly 100,000,000, can at present show about 5,000 miles of railway only. Before Chinese railway development can compare with that of India another 30,000 miles or so will have to be built at a cost of say over £200,000,000 sterling.

Whether railways should be constructed by private enterprise in China, or whether the principle of State ownership should be universally adopted, is perhaps, a matter of opinion. On this matter I think Mr. Kent puts it accurately when he says that State ownership is not only the best for China, but the only possible system compatible with success. Not only has experience so far demonstrated that Chinese railway companies are a mistake, but it would also be impossible to raise any large amount of capital by means of private companies in China. Private companies, too, would not have the necessary power and authority behind them which only the Government itself possesses.

At present there are very few Chinese qualified railway officers. There are a certain number of able Chinese engineers no doubt—for example Mr. Jeme, who built the Kalgan line, and Mr. Wang, who is building the southern section of the Hankow-Canton Railway, but for many years to come there will not be enough men such as these to go round. In an engineer, experience is even more important than theory, and reliable engineers take years to train.

There is little doubt, therefore, that for some time to come China will have to engage engineers from abroad to meet her requirements, and the same remarks apply to the senior officers of other railway departments. There is nothing derogatory to Chinese dignity in this. China has always been loyally served by the foreigners whom she has employed, and always will be. Their knowledge and experience in their own spheres have been, and will be, of the greatest benefit to her in every way; but if China is to be able to borrow the money she requires abroad, on the best terms, it will be necessary to cultivate the confidence of the foreign investor, a confidence which events recently have been calculated to shake.

What I venture to think is required is a strong and capable Railway Department or Board in Peking, so constituted as to command the confidence of the foreign investor, and strong enough to command respect everywhere in China itself. The present Board of Communications falls short of this. Such a department would have its staff of expert assistants and inspectors, both Chinese and foreign, and keep in touch with the administration of each railway, who would be responsible to the Board. The net earnings of all railways after payment of the cost of maintenance and renewals would be paid to the Government Railway Department—the principles of its organisation might be somewhat similar to those of the Imperial Maritime Customs. A definite policy and a definite programme of railway construction should be laid down. To build up the revenues of the Board the best paying railways should be constructed first. The revenues and expenditure of the Board should be published. In time I think a Board so constituted would be able to raise loans on its general revenues, and pay off the various loans for the service of which the revenues of different existing railways are now hypothecated. To begin with, the Board ought to be able to show as revenue the surplus earnings of the Imperial railway of North China and of the Peking-Hankow line, which (from information from the Chinese sources, so far as the latter railway is concerned) amount, when taken together, to about £800,000.

The CHAIRMAN observed that in listening to the lecturer—who was his nephew—with whom he had been associated in much of his Chinese work, he thought they would recognise that they had been listening to a man who knew his subject very thoroughly. It was a matter of great satisfaction to that Society that Mr. Barry had been able to come there and give them a general and detailed view of the great subject of railway communication in China. They must all recognise that this was one of the most important matters which lay before them in the future. Before them was the question of the opening up of China to modern and western ideas in a way in which the railway alone could effect that purpose. It

opened up to many of them an almost unknown land. It would affect the destinies of an enormous population and enormous commerce, and still more profoundly would it modify the views of the Chinese themselves in respect of European ideas, and the ideas of Europe with regard to the Chinese. It would tend to bring Europe and China more and more together, and he hoped this would be greatly to the benefit of both. A very striking thing caught his eye the other day. He was stopping for a few minutes at a roadside station on the Great Eastern Railway in Essex and he saw on the sign "You can take your ticket here via Harwich for Pekin and Japan." When they realised that it was really possible that they could book through to Pekin, it was a novel state of things which was startling to those persons who had not followed the railway development of the Far East. Their interests were large. They had financial interests represented by the great financial houses of London, Berlin, Paris and Brussels, and there were also the bondholders to consider. They were putting a very large sum of money into the venture of these Chinese enterprises and they had to consider the great importance of these matters to the manufacturing industries of the different countries who were interested in the development of China. In all these ways it was essential to realise that the various nations were keenly competitive, each nationality was looking after its own interests, and he hoped England would not be backward in taking her place in the financial ventures. It really was a most important matter that there should be no mistake about the proper application of the money which the bondholders had found, and the matter called for careful attention on the part of all concerned. It ought to be clearly seen that the money advanced was not wasted, but really applied in enterprises which would be self-remunerative. This money ought to be carefully administered as it would be for the good, not only of the bondholders but also of the Chinese themselves. They all wished to see China develop her railway system as India's had been developed, and he most cordially agreed with the lecturer that the best guarantee would be European control for some years to come. Those who raised the money ought to have a voice in its application, and there should be responsible European technical advisers appointed, as well as a Board of Management of all the Chinese Railways. If some of these things could be carried out he was persuaded that there was a great future for Chinese railways and the development of that land (applause).

Mr. Byron Brenan C.M.G., remarked that the lecturer had pointed out the mistakes made by the Chinese, but on our side we also had made mistakes. We had too easily assumed that the Chinese were keenly anxious to have railways, and not having the money, we should be in a position to dictate our own terms. That, however, had not been the case. As to the desirability of a Board of Management he supposed in time it would come about, but up to the present the Chinese Government had not seen the necessity for it. In his opinion it would not be a bad thing to give them plenty of rope. Let the Chinese get thoroughly embarrassed in their arrangements and then they would see the necessity for putting their house in order and reorganizing the system. This might not come immediately, but he thought before many years that the Chinese would find great difficulty to pay the interest on their bonds out of their earnings on the railways. He doubted whether any of the railways were paying their way.

Mr. C. S. ADDIS thanked Mr. Barry for his paper and complimented him on his resume of the evolution of the demand for railways in China. To-day in China there was some sort of a demand for railways but he thought every one would have to say that that demand was not a thing *ad hoc* but formed part of the general quickening of the natural life of China, and took its place along with the demand for education and western luxury—a sort of quickening of the patriotic idea in China. The demand had to be edged round with so many restrictions that it could hardly be called an effective demand. The Chinese seemed to be far from desirous of paying for, or constructing, railways,

but yet fired as they were by the cry of "China for the Chinese" they were unwilling to entrust control of the lines to those whose money they were spending, and now apparently they were averse to giving the necessary security. It was pathetic to see the way China was scraping her Treasury to find money with which to pay the interest and yet she would not give the railways as security. One speaker had referred to giving China plenty of rope, but that plan carried with it long delay. For his part he thought they had taken the better course in coming to some sort of understanding by which in future adequate guarantees would be given for the proper employment of the money. That was a great step in advance and helped to mitigate the pessimistic view taken by some. In itself it was a happy augury for the future. Regarding the difficulty in getting money from the Chinese they expected high interest because the guarantee was bad. As the security improved the rate of interest would *pro tanto* diminish. While they wished help to China to enter into her inheritance, he thought the best way was to start with a strong leaven of European officials, like the Customs, and the coming generation would be trained accordingly.

COLONEL PEMBERTON, R.E. who has recently returned after a visit of some months in China, expressed the opinion that it was hardly likely for some years to come that the Chinese Government would look favourably upon the efforts of other countries to secure control over her lines that were being built by foreign capital. Personally he thought that the railways would be built more quickly than many Europeans considered likely. The experience of the world was that no country could progress unless there was railway construction. The Chinese had the experience of the rest of the world to go on and they fully recognised the necessity for railway building. He believed there was a splendid future before railways in China and he hoped there would be no surgical operation necessary that China should get into difficulties. He hoped China would avoid all trouble of that sort and construct her railways without financial difficulty.

Mr. J. W. JAMESON referring to the great railway development after the Japanese war expressed the opinion that Messrs. Jardine Mathieson and Company, if they had been more energetic at the time, could have obtained the Pekin-Hankow concession instead of the Belgians. A new spirit had sprung up lately and he looked with considerable apprehension to what was going to happen. It behoved them all to watch developments carefully. The Chinese had a good many years of difficulty ahead of them, and he doubted whether any of the railways, with the exception of the Northern one, were paying.

On the proposition of the Chairman the lecturer was cordially thanked for his paper.

MEDICAL TEACHING IN CHINA.

The movement in the Harvard medical school for the establishment of a medical school in the Orient, preferably China, is assuming definite proportions and has been approved by President Eliot and the faculty of the medical school. The following are active in the movement: J. P. Leake, '04; W. S. Whittemore, '04; W. H. Hiltner, Dr. I. Hartshorn, C. C. Haskell, M. R. Edwards, A. L. Patch, A. M. Dunlap, G. P. Gaunt and C. A. Hedblom.

They have received definite invitations from Viceroy Tuan Fang and others.

It is proposed to raise an endowment fund. The board of trustees is as follows: Charles W. Eliot, chairman; Dr. H. P. Walcott, '58; Dr. A. T. Cabot, '72; Dr. W. T. Councilman, hon. '99; Dr. W. B. Cannon, '96; Dean H. A. Christian, of the medical school and Prof E. C. Moore.

The faculty of the medical school has passed a vote giving its moral support to an institution for the teaching of medicine in China by Harvard men. The Harvard Mission will try to bear part of the expense of sending Dr. M. B. Edwards to China to carry on investigations with regard to the location. Dr. Edwards completed his course at the Harvard medical school last summer and will start for China early in the summer. *N.C. Daily News.*

THE WORLD'S COAL SUPPLY.

COMPARATIVELY SHORT LIFE OF JAPAN'S SEAMS.

In an article on the world's coal supply, the *Osaka Mainichi* says it is superfluous to mention that the richness of the coal supply has had a great deal to do with the gradual development of British industry and the prosperity of America in recent times. The latest figures of production, &c., of coal in America, Great Britain, Germany, France and Japan are as follows (presumably the period is the year 1908):—

Country.	Production Million tons.	Number of Miners.	Average Tons Per Miner.
America.....	429	641,000	670
Great Britain...	268	867,000	309
Germany.....	141	511,000	275
France.....	36	178,000	202
Japan.....	14	106,589	131

(We have ventured to correct the averages in the above table, our contemporary having underestimated them in each case.) It will be seen that America is the greatest producer of coal, with an output thirty times as great as that of Japan, while Great Britain follows, with nineteen times Japan's production. The coal measures of England and America are vast. It is calculated that at the present rate of production, the coal beds in England will continue to yield for 376 years and those in America for 567 years. (How such exact figures arrived at it is difficult to say.) Regarding the production per man, the American miner digs five times the quantity of his Japanese confrère, while the Englishman produces 2½ times as much. Japan's capacity for coal production cannot be said to be very large. According to investigation in Chikuzen and Buzen provinces, the supply of coal in those regions will not last longer than 78 years, while the beds of Miike, Hokkaido, and elsewhere may be exhausted within 140 years. It will thus be seen that Japan will prove no match in the coal competition. Regarding the export of the fuel, Great Britain leads with 64,000,000 tons, followed Germany with 20 million tons and America with 8,300,000 tons. Against these, Japan's export of 3,400,000 tons must be regarded as large in comparison with her production. This must be attributed to the fact that domestic industries have not yet fully developed, and is unavoidable in view of the trend of supply and demand. If too large a quantity of coal is exported without due regard to Japan's capacity of production, the resultant curtailment in the life of the coal beds will prove a cause for regret — *Japan Chronicle.*

NEW HOMEWARD PASSENGER SERVICE.

There are many routes to Europe but most people evince a preference for—other things being equal—the cheapest. That being so, a new service which offers adequate accommodation and reasonable speed, may well attract attention. The Shire Line, whose steamers are well known in Hongkong, are about to inaugurate a passenger service between England and the East, the great recommendation of which, is that it is cheaper than most of the others. The *Segura* has been taken from the West Indian trade and placed on the new China and Japan run. It is a steamer of about 5,000 tons and carries 50 first class passengers—no other classes being catered for—but the great consideration is that the passage from here to England only costs £35. When it is added that the cabins are roomy and comfortable, that the saloon and other general rooms are well appointed, and that the journey can be covered in 38 or 40 days, it will be seen that the service has advantages which should appeal to the home-going public.

Yesterday a party of visitors were shown over the *Segura*, which takes its name from a river in Spain, and they found the conditions all that were desired. Captain Hayes is a genial skipper, who should inspire confidence in those under his care, and the other officials showed themselves no less agreeable. A former P. and O. acting purser, Mr. W. S. Tyler, is the steward in charge. The local agents are Messrs. Jardine Matheson & Co.

CHINA'S CURRENCY.

ACTION BY THE SHANGHAI CHAMBER
OF COMMERCE.

The following correspondence on the Currency question has been published by the Shanghai General Chamber of Commerce:—

Shanghai, 21st May, 1909.

L. E. Canning, Esq., Secretary, Shanghai General Chamber of Commerce, 6 Peking Road.

CURRENCY.

Dear Sir,—With reference to my letters of March 9th, upon which the Chamber of Commerce has kindly taken action, I now beg to submit a note of our percentages of loss by exchange of small silver and copper respectively sustained since February, the last month in the table included in my letter above mentioned. It will be observed that the depreciation of one cent pieces has steadily increased, and that recently the loss on small silver also has become greater.

Month	Silver. Per cent.	Copper. Per cent.	Total. Per cent.
1909			
March	10.9	24.03	22.61
April	10.86	24.95	23.39

Yours faithfully,

D. McCOLL,

General Manager.

The Shanghai Electric Construction Co., Ltd.

Translation of Letter from the Spanish Legation, Peking, dated 26th May, 1909:—

Dear Mr. Anderson:—In reply to your letter dated 8th April last, on the subject of the depreciation of the current currency in Shanghai, I am glad to be in the position to bring to your notice the enclosed copy of the letter, which at the hearty desire of the Diplomatic Corps, I wrote to Prince Ching on the 21st inst.

I take this opportunity, dear Mr. Anderson, to reassure you of my devoted respect.

(Signed) M. CARCER.

Peking, 21st May, 1909.

Your Imperial Highness.

The Consular officers of the various Treaty Powers and the foreign Chambers of Commerce and other business organizations in China have of late repeatedly called the earnest attention of the Diplomatic Body to the highly unsatisfactory state of the currency in China, resulting, in a large measure, from the depreciation of the copper cash currency and the constantly increasing issue of banknotes. Both of these causes have already proved serious obstacles to trade in all parts of the country, and it is feared by the foreign business interests that unless some measures are promptly taken to regulate these evils, they may precipitate in a financial crisis, the consequences of which will be far-reaching and not improbably disastrous.

In a communication which the Dean of the Diplomatic Body had the honour to address to Your Imperial Highness on November 28, 1908, he called your serious attention to the danger of allowing the uncontrolled issue by Chinese Banks in Shanghai and in the Province of Chekiang of dollar bank-notes without the security of properly regulated metallic reserves. Your Highness replied under date of December 17, 1908, that the subject was receiving the attention of the Ministry of Finance and that you would advise the Diplomatic Body at an early date of the conclusion reached by that Department of the Government.

It is a serious disappointment to the Diplomatic Body that down to the present time no indication has been given it by the Imperial Government of the decision it has reached in the matter.

In the meanwhile the depreciation of the copper currency, due solely to excessive issue, is steadily increasing every month and adversely affecting the interests of many millions of people throughout the Empire. At Shanghai, for example, when these coins (10 cash pieces) were first issued they circulated at par, although intrinsically worth only about 50 per cent. of their face value. Excessive supplies, however, brought about their depreciation and of late the profit on minting them has disappeared. Debased coins of a lower standard are now being issued which also circulate at a constantly increasing discount. The continuance of these unfortunate conditions must inevitably aug-

ment the difficulties and dangers of the general financial situation.

Deeply sensible of the danger of delay in remedying the evils arising from these two causes, the Diplomatic Body has directed me to urge upon Your Imperial Highness, in its name, the importance of taking prompt and effective steps to deal with them. In the opinion of the Diplomatic Body, as well as in that of all our consular representatives in China, and of all foreign Chambers of Commerce, the first measure to be taken should be the immediate suspension of the further issue of bank-notes and of copper currency.

I avail myself of this opportunity to renew to Your Imperial Highness the assurance of my highest consideration.

(Signed) M. DE CARCER.

To His Imperial Highness
Prince of Ching,
President of the Board
of Foreign Affairs.

SHANGHAI SHAREBROKERS IN
COURT.

On the 11th inst. Mr. F. S. A. Bourne, Acting Judge of H. M.'s Supreme Court at Shanghai, delivered judgment in the cases of *r. H. Michael v. J. E. Ellis* as follows:—

The plaintiff, an outside broker, claims from defendant Tls. 885.87, difference between buying and selling price of 50 Dock shares, brokerage and interest.

The plaintiff as broker is entitled to no more than an indemnity from the defendant against any claims that can legally be made against him because of the transaction he entered into as defendant's agent. Who then can bring a legal claim against plaintiff? The evidence shows that the 50 Docks were bought from Mr. Allanson, a jobber, at Tls. 89 per share and sold to Mr. Moosa at Tls. 72½ per share. Mr. Allanson received Mr. Moosa's cheque and is out of pocket to the extent of the difference; and if anyone has a claim it is he. So far as Mr. Allanson was concerned the transaction appears to have been quite legitimate. But can he sue plaintiff? He sold to Messrs. Michael and Somekh, outside brokers, who bought for the concerned, on the instructions of the plaintiff who bought for the concerned, who, he says, is the defendant. It was shown that there were three distinct contracts entered into, namely:

(1) Contract dated 27th July between Allanson and Michael and Somekh.

(2) Contract dated 27th July between Michael and Somekh and S. J. Michael, plaintiff.

(3) Contract dated 28th July between S. J. Michael, plaintiff, and J. E. Ellis, defendant.

In regard to contract (3) defendant admits "that the plaintiff signed this contract as broker for the concerned and according to local usage or custom of trade was thereby rendered personally liable for it". But whether plaintiff is liable or not is a question of law which should not be pleaded and cannot be admitted: it is for this court, and this court had indeed decided the very reverse (see *Lui v. Graham*, North China Daily News, 13th July, 1903). Plaintiff was either broker, when he might be entitled, as I have said, to an indemnity from his principal, or was himself the other principal. If he was broker, as he purports to have been, there is nothing to indemnify him against, for according to law Mr. Allanson, the seller-principal, has no right of action against him, the broker, as soon as the buyer-principal, Mr. Ellis, is disclosed (cf. *Fleet Murton I.R. 7Q.B.P. 126*). If on the other hand the plaintiff was himself principal as the dates of the contracts would suggest I find without the least hesitation that as between the plaintiff and defendant the contract was one for differences only and void under the Gaming Act (cf. *Stachan v. Universal Stock Exchange* (1895) 2 Q.B. (1896) A.C. p.166).

Further, I find on the evidence that the purchase of the 50 Docks was a joint venture on the part of the plaintiff and the defendant. Plaintiff is therefore entitled to no more than brokerage on the purchase and sale of 25 Dock shares, namely, Tls. 20.18. Judgment accordingly. Plaintiff must pay defendant's taxed costs less \$7.50, the amount of court fees he would have had to pay if he sued summarily for the brokerage.

STEEL MAKING IN CHINA.

One of the advantages which the Chinese Foundry has over its Foreign competitors is that of the wages question. The company in Hankow employs some 20,000 hands and the monthly wages bill reads approximately as follows per month.

	Mexican
Rollers, on mills	\$ 8.00 to \$16.00
Heaters, on furnaces	— 12.00
Assistants, on furnaces	8.00 to 10.00
Steel Melters (open hearth)	— 12.00
First Assistants	— 9.00
Second Assistants	— 8.00
Blacksmiths	15.00 to 10.00
Boilermakers	15.00 to 20.00

Coolies labour ranges about 14 cents to 20 cents per day, women being also employed at as low a rate as ten cents per diem. The coolies are as a rule paid daily and either the same men or a new gang are taken on the following morning. This is a necessity for people of this class live from hand to mouth and must have the cash in order to procure their daily food.

The Chinese foremen and gangers get from \$40 to \$60 Mexican per month and their duties entail the "driving" of the coolies so that the maximum of work is produced for the minimum of wages.

Practically all the coolie labour is in the hands of contractors who undertake the various jobs, appoint their own overseers and hire their own coolies.

There can be no doubt but that the mechanical ability of the Chinese employed in the Hanyang Iron and Steel works is of a very high standard. The Chinese seem to have a natural instinct for handling foreign tools and in the production of metals they very rarely injure the material placed in their hands. As experts in tempering metals they have but few compeers seemingly to know by intuition the crucial moment when to apply the various processes.

In that most difficult branch, the handling of the electric plant, the Chinese have also proved themselves to be more than competent. A tribute of the highest order is paid to his Chinese staff by the mechanical engineer of the Works, Mr. B. Durchscher. He stated to a visitor that he was absolutely astounded on one occasion when all the parts of a locomotive arrived without the working plans. Naturally the assembling of the machine was not to be undertaken until these came to hand but he forgot to inform his Chinese foremen of this. Shortly after he was astonished to see the engine running up and down a siding line on trial runs. It had been assembled entirely without plans and had been correctly done.

Mr. Durchscher remarked, "I would not have undertaken to do this without the drawings, and I do not think many engineers would have done so either."

He further illustrated the carefulness of detail which the Chinese display by remarking that the clerks in the drawing office, in making tracings, copy even the blots and accidental markings, from the originals.

The Hanyang Iron and Steel works are practically in the hands of German engineers and a naturalized American Mr. Durchscher being the chief engineer. Mr. Rupert is general Manager and Mr. F. P. Soisson is managing the steel plant and rolling mills. European foremen are in charge of the open hearths and the mills and direct the operations throughout. H.E. Sheng Kung Pao, is president of the concern and H. E. V. K. Lee, director general, with F. V. Trang as his sub-director.

Mr. Lee gained much experience in America, visiting many steel foundries in that country, before he took over charge of the Hanyang Iron and Steel Foundry the premier institution of its class in China.—*Peking Daily News*.

A fatal drowning accident occurred at Woosung early last Saturday morning. Mr. Werner Borsche, who was the victim, was First Lieutenant of S. M. S. *Illis*, and had only come out to China recently with the draft of 600 reliefs which the N. D.L. s.s. *Oldenburg* brought out for the German Cruiser Squadron. It appears that Lieut. Borsche fell overboard about 4.30 a.m. and though every effort was made to rescue him, or recover the body, it was not until 4 p.m. that the corpse was found.

SHANGHAI PUBLIC COMPANIES

THE A. BUTLER CEMENT TILE WORKS, LTD.

The fifth annual general meeting of shareholders of the above company was held at Shanghai last week. There were present: Mr. J. Ambrose (presiding), Messrs. G. Davies, C. R. Burkill and F. E. Schnorr (directors), D. W. Crawford and J. E. Denham.

The Chairman said: We are glad to have been able to put before you such a comparatively favourable report for a year, which, taken all round, has not been a very prosperous one for local trade, and I think we may congratulate ourselves that the expectations we had last year did not come true. Our turnover was good and low exchange has been in our favour for the better part of the year, and consequently we are able to recommend to you the payment of our usual dividend of 6 per cent., after making good provision for writing off on plant, machinery and buildings as usual. But besides this we propose to carry forward to new account the substantial balance of some two thousand odd Taels. This may appear rather large to you, but the demand for our roof-tiles especially has increased in a pleasing way so that we have accepted the proposal of our managing director, to add another machine for the manufacture of roof-tiles to our plant, and eventually another if necessary, and to meet the expenses of this addition with past rather than future profits, we propose to carry forward the above amount. The machine has been ordered already and will in all probability be ready for work in another month or so, and as it is a machine of the latest design, turning out a tile even superior to those we are making at present, it should prove a good investment. As to the rest of the accounts, they speak for themselves, there are no bad debts to provide for and we do not owe anything to anybody. This is all I wish to say to you today, but before putting the usual resolutions to the meeting, I shall be glad to answer such questions concerning the company's affairs as anyone may wish to ask.

There being no questions, the following resolutions were adopted:—

That the report of directors and accounts as submitted be passed, and that a dividend of six per cent., equal to Tls. 3 per share, be paid—proposed by the Chairman and seconded by Mr. Davies.

THE SHANGHAI MUTUAL TELEPHONE CO. LTD.

At the tenth ordinary general meeting of shareholders of the above company the Chairman said:—A year ago we had concluded a contract with the Council covering a franchise of thirty years. A similar agreement with the French Council has been since entered into, thereby securing harmonious working of the services between the two Settlements for the period above mentioned. Another important business concluded during the twelve months has been the selection and ordering of the new switch board and the machinery appertaining to it at a cost of £14,686. Last summer we advertised for tenders and on the 31st December, when they were opened, there were 27 offers, 24 of which were by local firms acting as agents for manufacturers in various parts of the world. From these we selected the lowest tender in accordance with our specification, it being £9,000 below the highest one and we are satisfied that you will have the best plant obtainable at a very reasonable cost. In the report I mention that the service has been on the whole satisfactory but in this I do not include the Pootung service which I am sorry to say, has been for the last six months more or less unsatisfactory owing to frequent interruption of the river cable injured by vessels anchoring over it. These vessels have been mostly under the British flag. The French Court here decided a case in our favour and the decision, upon appeal, was upheld by the Supreme Court at Saigon. Since then no French vessel navigating the upper reaches of the river has injured the cable. A similar verdict in the British Court would render the service more efficient to our Pootung subscribers. Your Directors made arrangements for the issue of Tls. 350,000 Debentures at 6 per cent. Of these

Tls. 200,000 have been now issued and were promptly taken up, enabling us to pay off the overdraft at the bank and to meet the immediate cost of the new switchboard.

The Chairman proceeded to point out that extraordinary expenditure had totalled about Taels 20,000 and added if it had not been for this we should have been in a position to recommend to you a dividend this year of 8 instead of 6 per cent. You will see on the credit side of the Working Account that the net receipts from subscription was Tls. 137,701, under the old tariff. It may be well to mention in this connection that one clause in the new agreement with the Council provides for future re-arrangement of the tariff should that be considered necessary. In our negotiations with the Council it was repeatedly and clearly set forth that we desired to secure for our shareholders a steady 8 per cent. dividend and that by so doing we could command funds by issue of debentures or of new shares when necessary for the maintenance of a high class service. Before the new tariff was fixed, figures were submitted to the Council from our books which were open to investigation by that body. These figures were considered and formed the basis of the new tariff which came into operation of March 1 last. Had it been possible to profit by the new tariff a year earlier, we would have had Taels. 25,000 more for appropriation. Further, the rent from the new building, which you will see stands at Tls. 3,197 is for part of the year which these figures cover. They do not quite amount to the fourth part of what we expect to come in by arrangement with our present tenants. You will therefore understand that with these assured sources of increased income our prospects of a steady 8 per cent. dividend are better than they have ever been since the Company was formed.

INSPECTION OF PARACEL ISLANDS.

A ROUGH VOYAGE.

Admiral Li Tsun, Taotai Li Chi Cheun, ten deputies and several merchants who have been on a visit of inspection of the Paracel Islands returned to Canton on the 10th inst. by the gunboats *Fook Po* and *King Hong*. The party (our Canton correspondent writes) left Canton for the Paracels Island on the 21st ultimo by three gunboats. They first called at Hoihow and remained for two days in that port where 50 labourers were engaged for prospecting purposes. After leaving Hoihow they encountered very rough weather and had to take shelter at a place called Yu Lam Kong, where they remained for ten days. As the third gunboat, *Kwong Kang*, is a small vessel, the Admiral considered it unsafe for her to continue the voyage, so she was sent back to Canton, and the *Fook Po* and the *King Hong* proceeded on their way to the Paracel Islands.

While staying in Yu Lam Kong the Admiral received a dispatch from an official at Leung Shin Wan stating that a typhoon had swept past that port; numerous fishing junks had been sunk and about 500 lives lost. They arrived at the Paracel Islands on the 5th instant. The party first landed on a small island called Lo Pat. This island is almost surrounded by reefs excepting on the East where the party were able to land. Before leaving the place the Admiral named the island *Fook Po*. On the following day the party inspected the Kan Island which was afterwards named *Mo Hok*. Here the party hoisted the dragon flag, fired 21 guns, and named the territory East Island. After the ceremony they went to the opposite island and named it West Island. On the 7th instant the party inspected the Mok Island, which is the largest island of the group, and named it *King Hong*. There were several fishing junks anchored in the bay of the island. Several surveyors were amongst the party, and during the three days, these men were detailed to the different islands to survey and make plans. The group comprises of more than ten islands, all being more or less densely wooded, and the vegetation on them is luxuriant. Coral is found around many of these islands. There are also pearl oysters in several bays and numerous kinds of fish abound in the waters of the Paracel Islands. The soil on them is said to be very rich and suitable for growing vegetables and fruit.

The Chinese Government propose to create commercial centres in several of the larger islands, to push the fishing, coral, pearl, salt and agricultural industries. It is the intention of the Government to send Colonel Ng, Magistrate Lau and other officials as pioneers to the Paracel Islands to promote their development. They will, of course, have to raise the necessary funds in Canton first. In the meantime, the surveyors are drawing up plans of the islands. Full particulars as to their resources will be given in an official report which will be ready in a month's time.

CUSTOMS GAZETTE.

The Customs Gazette for the first quarter of this year, giving the quarterly returns of trade and the report on dues and duties for the period from January to March, 1909, has just been issued. As compared with the corresponding period of last year the report on dues and duties shows a considerable increase in total collection, although it was, of course, less than the last quarter of the preceding year. Of the individual ports, 20 show increases and 15 decreases, among the latter, however, being Shanghai. A great falling off in the collection of opium duty and *likin* is mainly responsible for Shanghai's decrease. Harbin district is for the first time divided into two sub-districts, Manchouli and Suifenho. The following is the report of dues and duties, January-March quarter, 1909, showing the total collection for the quarter compared with the same quarter of 1908:—

Port	1909 Hk. Tls.	1908 Hk. Tls.
Antung	9,471,458	6,008,500
Tatungkow	230,858	—
Dairen	378,216.803	155,459.266
Harbin District:—		
Manchouli	47,859.107	16,176.320
Suifenho	118,086.307	33,229.191
Newchang	1,594,027	6,824.510
Chinwangtao	35,922.216	28,698.262
Tientsin	336,054.966	279,698.256
Chefoo	165,088.970	115,841.977
Kiaochow	313,325.889	232,869.498
Chungking	112,255.920	165,400.456
Ichang	13,611.628	11,505.603
Shasi	1,161.893	1,786.895
Changsha	21,845.847	14,821.333
Yochow	19,887.525	35,764.904
Honkew	531,300.592	676,765.291
Kiukiang	104,570.924	126,484.579
Wuhu	228,023.200	234,169.896
Nanking	25,025.504	65,589.097
Chinkiang	293,689.766	273,921.771
Shanghai	2,169,753.843	2,200,362.072
Soochow	20,290.289	17,295.273
Hangchow	100,785.189	128,474.590
Ningpo	112,760.524	125,743.489
Wenchow	10,025.412	8,214.912
Santauo	2,521.752	2,594.991
Foochow	169,978.272	184,052.689
Amoy	200,476.960	194,431.302
Swatow	372,022.353	400,952.715
Canton	800,566.691	731,478.476
Kongmoon	52,660.135	26,598.456
Samchui	55,611.427	50,901.523
Wuchow	122,145.064	109,926.078
Nanning	17,699.750	11,971.679
Kiungchow	65,546.497	71,170.724
Pakhoi	32,903.203	31,291.607

Total ... Hk. Tls. 7,062,970.761 6,796,476.181

THE GROWING PORT OF DALNY.

The *Manchu Nichihichi* says:—The Imperial Chinese Maritime Customs revenue for the port of Dairen (Dalny) never exceeded Tls. 100,000 a year till last year. Since the beginning of this year, however, the receipts have averaged over Tls. 100,000 a month and have already totalled more than Tls. 500,000. About Tls. 150,000 more is expected from the goods now awaiting shipment on the Wharves. Allowing a span of 4 dull months from June to September, the return of the new bean season in October is expected to swell this year's revenue by a considerable addition, which all put together will push this young port forward at a bound to take a place among its seniors in China. Something wonderful may be reckoned on in the development of the port in the course of a few years.

FAR EASTERN TELEGRAMS.

PRINCE ITO RESIGNS.

Tokyo, June 14th.

To-day H.M. the Emperor formally relieved Prince Ito of the office of Resident General of Korea, and appointed Viscount Sone, the Deputy Resident General, to the vacant post.

Prince Ito has been appointed President of the Privy Council.

THE STRIKE AT HONOLULU.

Tokyo, June 14th.

The situation arising out of the strike of Japanese labourers in Hawaii is becoming more serious.

The police searched the offices of the Japanese newspaper, and the Strikers' Association and seized incriminating documents.

Tokyo, June 17th.

A Hawaiian planter interviewed at Tokyo deprecated the reports emanating from America on the situation at Hawaii and describes them as the work of agitators. Everything, he says, points to a settlement.

JAPANESE WEAVERS AND THE EXHIBITION.

Tokyo, June 14th.

Yesterday the weavers conferred with the representatives of the Tokyo Chamber of Commerce.

The Chamber represented the seriousness of the impression that would be created in England by a refusal of the weavers to exhibit specimens of their work at the Anglo-Japanese Exhibition.

The weavers, however, stood firm and decided to acquaint the English with the reason of their refusal, feeling confident that it would enlist their sympathy.

THE U.S. SQUADRON IN JAPAN.

RESULT OF THE RECENT COURT MARTIAL.

Tokyo, June 16th.

The American (Philippine) Squadron has left for Hakodate.

The court martial on the petty officers for selling gun-mountings to Japanese has resulted in a verdict of acquittal, on the ground of lack of evidence.

It is understood that no Japanese was examined owing to the complications of international law, but the Japanese firm whose name was connected with the matter has been excluded from the list of acceptable contracts for warship supplies.

KYOTO MUNICIPAL LOAN.

Tokyo, June 20th.

A French syndicate has undertaken the flotation of the Kyoto five per cent. municipal loan of 45,000,000 francs.

OPIUM EXPORTS FROM INDIA.

Dr. Rutherford (Middlesex, Brentford Min.) in the House of Commons last month, asked the Under-Secretary for India what were the opium exports from India in 1905, 1906, 1907, 1908, and 1909, respectively; and what steps the Government were taking to carry out their declared policy with the Government of China.

Mr. Hobhouse (Bristol, E. Min.)—The figures are:—1905, 63,053 chests; 1906, 63,617 chests; 1907, 63,415 chests; 1908, 62,408 chests. In 1909 the export will be limited to 56,800 chests. In accordance with the arrangement made with China the export of opium from India is being reduced by 5,100 chests per annum. This is with effect from 1908, the average export for the five years ended 1905 being taken, as suggested by the Chinese Government, as the basis of the calculation.

A heat-wave of unexampled intensity, for so early in the season, passed over Tientsin a few days ago, when the temperature went up to 107 in the shade. The accompanying strong wind came from the south but subsequently veered round to the north.

HONGKONG LAWN TENNIS LEAGUE.

Four matches were played on June 12th. The results to hand are:

CRAIGENGOWER v. CHINESE Y.M.C.A.

Played at the Happy Valley and ended in a win for the home team by 35 games.

J. D. Kinnaid and L. A. Rose beat Lau Iu Chung and Fung Man Sui 7/4. F. M. Mohler and Lau Iu Chung 6/5. Ho Wing Hung and Wei Wing Lok 7/4.

J. Pestonjee and G. A. Hancock beat Lau Iu Chung and Fung Man Sui 10/1. F. M. Mohler and Lau Iu Chung 9/2. and Ho Wing Hung and Wei Wing Lok 8/3.

L. E. Lammert and R. Phillips beat Lau Iu Chung and Fung Man Sui 8/3. lost to F. M. Mohler and Lau Iu Chung 4/7 and beat Ho Wing Hung and Wei Wing Lok 8/3.

Y.M.C.A. v. SCHOOLMASTERS.

This match played at Kowloon on June 12th, afternoon resulted in a win for the "Saints" by 62 to 37 games.

Fowler and Edwards beat Sutherland and Garrett 8/3. Brawn and Viveash 8/3. Bird and Barlow 10/1.

Hickling and Le Breton beat Bird and Barlow 8/3. Sutherland and Garrett 8/3. Brawn and Viveash 7/4.

Clements and Hicks beat Bird and Barlow 6/5. Sutherland and Garrett 6/5. lost to Brawn and Viveash 0/11.

KOWLOON v. Y.M.C.A.

The meeting between the Y.M.C.A. and Kowloon C.C., which took place at King's Park on Saturday afternoon, was of more than ordinary interest, as it was expected to decide which team should win the League competition, the two teams being the strongest in the League. Victory went to Kowloon by 52 games to 47. Scores:

Klimanek and Brewer beat Hickling and Le Breton 9/2. lost to Edwards and Fowler 5/6. beat Clements and Taylor 10/1. Lapsley and Clelland lost to Edwards and Fowler 2/9. beat Clements and Taylor 8/3. beat Hickling and Le Breton 6/5.

Green and Mead lost to Clements and Taylor 4/7. to Hickling and Le Breton 5/6. Edwards and Fowler 3/8.

CRAIGENGOWER v. LUSITANO.

Craigengower met the Lusitano Club at Happy Valley on Saturday afternoon and won by 23 games. Scores:

R. Phillips and L. E. Lammert beat E. Hyndmann and E. Leitao 6/5. A. A. Guterres and J. Remedios 8/3. and P. Roza and M. Leitao 6/5.

L. A. Rose and J. D. Kinnaid beat Hyndmann and E. Leitao 10/1. Guterres and Remedios 7/4. and lost to Roza and Leitao 5/6.

R. Basa and H. W. Petersen beat Hyndmann and Leitao 7/4. lost to Guterres and Remedios 5/6. beat Roza and Leitao 7/4.

Craigengower, 6 games; Lusitano, 38.

SCHOOLMASTERS v. CHINESE Y. M. C. A.

This match, played at Causeway Bay, resulted in a win for the Schoolmasters—63 to 36.

The detailed score is as follows:

On Friday, Braidwood and Brawn won from Ko Po Sham and Lau Wing Chung 9/2. lost to Wei Wing Lok and F. M. Mohler 8/3. won from Lau Iu Chung and H. Gittins 9/2.

On Saturday, Bird and Barlow won from Wei Wing Lok and Lau Wing Chung 6/5. from Ho Wing Hung and F. M. Mohler 6/5. from Lau Iu Chung and H. Gittins 9/2.

Garrett and Sutherland won from Ho and Mohler 6/5. from Wei, Lou 6/5. from Lau and Gittins 10/1.

LAWN BOWLS.

KOWLOON v. POLICE.

Kowloon Club were at home to the Police on Saturday afternoon when a most enjoyable match was played between four rinks. Play ruled very even throughout and the finish was very exciting. The Police had won on two rinks, drawn on the third and everybody waited to see what would happen on the fourth rink where Kowloon had a substantial lead. On the second last head the Police won several shots which put the teams on a level—74 each. Great excitement centred in the last head, when Harvey's quartette managed to secure three points and give the victory to Kowloon.

At the close Det. Insp. Hanson voiced the appreciation of the visitors for their afternoon's sport and Mr. Russell made an appropriate reply on behalf of the hosts.

HONGKONG CRICKETERS IN JAPAN.

Ideal weather favoured the cricket match between the visitors from the Hongkong Garrison and the Yokohama Cricket Club played on the 4th and 5th inst. The full scores were:—

HONGKONG GARRISON.

Capt. Beasley, b Cox	33
Lieut. H. W. Green, b Edwards	11
Lieut. D. K. Anderson, c and b Scott	0
Capt. Garnett, c and b Foster	46
Capt. Baird, c Duff, b Foster	111
Lieut. H. G. Bagnall, st Duff, b Foster	27
Lieut. E. G. 1. Byrne, lbw Scott	1
Lieut. J. Innes, c Deveson, b Scott	17
Capt. Brierley, b Foster	18
Lieut. J. Crookenden, b Foster	1
Capt. Greenway, not out	1
Sundries	15

Total.....281

Bowling Analysis.

	O.	M.	R.	W.
A. P. Scott	14	1	42	1
W. D. S. Edwards	19	1	76	3
B. C. Lambert	1	0	5	0
P. A. Cox	6	0	26	1
B. C. Foster	1c, 1	1	59	5
K. Hardman	4	0	22	0
W. W. Galloway	4	0	32	0

Y. C. and A. C.

K. Hardmann, b Baird	48
A. G. Hearne, run out	29
B. Deveson, b Baird	16
N. Buckle, b Bagnall	0
A. P. Scott, st Green, b Garnett	21
P. A. Cox, st Green, b Garnett	16
W. D. S. Edwards, b Baird	6
W. W. Galloway, st Green, b Garnett	1
C. Duff, not out	0
B. C. Lambert, b Baird	0
B. C. Foster, h.w., b Baird	4
Byes	5
Leg-Byes	3
Wide	1

Total.....150

Bowling Analysis.

	B.	R.	M.	W.
Baird	93	39	4	5
Garnett	84	58	0	3
Anderson	24	22	0	0
Bagnall	24	22	0	1

HONGKONG GARRISON 2nd Innings.

Capt. Beasley, b Edwards	0
Lieut. Green, c Hardman, b Edwards	70
Lieut. Anderson, not out	75
Capt. Baird, c Scott, b Edwards	5
Lieut. Bagnall, b Edwards	6
Lieut. Innes, c Galloway, b Edwards	7
Lieut. Byrne, lbw., b Edwards	1
Capt. Brierley, b Harman	0
Capt. Greenway, Lieut. Crookenden and Capt. Garnett did not bat.	

Byes	4
Leg-byes	32
Wides	3

Total.....173

Bowling Analysis.

	O.	B.	M.	W.
Edwards	78	54	1	6
Scott	34	12	1	0
Foster	36	29	0	0
Cox	42	36	0	0
Galloway	21	26	0	0
Hardman	21	10	0	1

Y. C. AND A. C. 2nd Innings.

K. Hardman, st Green, b Garnett	106
A. G. Hearne, b Baird	9
B. Deveson, b Garnett	45
A. P. Scott, not out	85
P. A. Cox, run out	0
W. D. S. Edwards, not out	39
W. W. Galloway, M. Duff, N. Buckle, B. C. Foster and B. C. Lambert did, not bat.	

Byes	17
Leg-byes	2
Wides	3

Total.....306

Bowling Analysis.

	O.	M.	R.	W.
Bird	114	74	1	1
Garnett	56	80	1	2
Bagnall	41	48	0	0
Innes	54	58	1	0
Beasley	24	24	0	0

Bagnall bowled three wides.

Mr. Geo. H. Scidmore, now American Consul at Nagasaki, has been appointed to Kobe, and his place at the southern port will be taken by Mr. C. F. Deichmann, now Consul at Tamsui, Formosa. Mr. Scidmore will enter upon his duties at Kobe about August 1.

COMMERCIAL

IMPORTS:—

RICE.

HONGKONG, 21st June:—Some demands having come forward the prices are advancing.

Saigon, Ordinary	\$480.	to	\$485
Round, Good quality ..	4.95	to	5.00
Long	4.90	to	4.95
Siam, Field mill cleaned, No. 2 ..	5.00	to	5.05
Garden, No. 1 ..	4.95	to	5.00
White,	5.15	to	5.20
Fine Cargo	5.25	to	5.30

OPIUM.

HONGKONG, June, 21st.

Quotations are:—

Malwa New	\$1,100/1,150	per picul.
Malwa Old	\$1,160/1,200	do.
Malwa Older	\$1,210/1,250	do.
Malwa Very Old	\$1,260/1,320	do.
Persian Fine Quality	\$1,050/1,090	do.
Persian Extra Fine	\$900/950	do.
Patna New	\$995	per chest.
Patna Old	\$—	do.
Benares New	\$1,005	do.
Benares Old	\$—	do.

JAPANESE MARKET.

Kobe, 2nd June, 1909.—Cotton.—American.—Prices have fluctuated appreciably since our last report, due to the unexpected reduction in acreage of new crop, and to reports of bad weather in the Cotton districts. Latest quotation of "forward" Middling is given at Yen 35.3, but no business of importance has transpired at this high figure. "Spot" has risen in sympathy with "forward," and closes at Yen 34.50. Indian.—Rates have been maintained on a high level, owing to short stocks and to some demand from Japan—it being reported that available stocks in Bombay amount to only 125,000 bales. "Spot" business has been fair, but stocks are small in this market. Broach closes at Yen 30.00, Akola Khamguam Yen 28.50, Bengal Yen 28.00. Chinese.—Prices have also risen since our last report, but business has been comparatively small, due to small stocks in China, as well as in this market. "Best" closes at Yen 29.75, "Common" Yen 27.50. Shirtings.—Greys.—The selling season is now approaching and holders are firmer in their ideas, stocks, however, show little reduction but quotations show an improvement. Whites.—Dull. Cotton Goods and Fancies.—A fair improvement is noticeable, stocks are much reduced and in some cases handsome prices are obtainable for special lines of fancies. Worsteds and Woollens.—Market quiet. Metals.—Demand very poor and prices tending downward despite the fact that arrivals have decreased of late. Rice.—Since last report the market experienced a slight decline but has recovered.

SUGAR.

Sugar.—Cane. Raw.—Java.—The market remains unchanged. Formosa.—Molasses.—No change. Lower Quality.—The demand has improved slightly and prices firmer. Osaka Refined. The usual auctions took place on the 13th and 23rd ultimo; at each 3,500 Bags were offered and all disposed of at prices shewing no change on those realised at the previous sale. In addition to the above, 2,000 Bags of Yokohama and 2,000 Bags of Kobe manufactures were sold.

PIECE GOODS.

Messrs. Noel, Murray & Co. in their Piece Goods Report, dated Shanghai 4th June, 1909, state:—During the week rain has fallen plentifully here, at times in a perfect deluge, averaging about an inch and a half per diem for three consecutive days. It appears to have been pretty general all over the Country and has caused great relief. Tientsin, which had been suffering from most intense heat, as much as 107 deg. in the shade, has at last got the much needed rain also, and is already showing signs of the relief it has been to her. Although perhaps a little late to produce the best results there is no doubt that, so far as agricultural interests are concerned, there is no reason for further anxiety regarding the crops, and thus that menace to trade is removed. It is too early, perhaps, to notice any benefit to trade as yet, but it has certainly caused a better feeling here, which it is hoped will be justified when reports come in from the Country. Manchuria has had an ample supply of rain in fact rather too much for the convenience of transport, the roads

having got into a terrible state of disrepair. A resident, who has just returned from an interesting and instructive tour through that Province, was struck by evidences of prosperity on all sides, but the profits made by the farmers are being devoted to the acquisition of more land. In the towns and villages there are proofs on all sides of the hold Japanese trade has on the Country. Fostered by the Banking facilities that can be given, and accommodation in the matter of credit by the representatives of Japanese mercantile houses on the spot, who are quite willing even to take part payment in produce, must push the trade in favour of that Country. The favourite cloth is a three yard Sheetting, under a Blue Crab chop, and seems to be obtainable everywhere. It appeared to be impossible to get any accurate figures of the importation of these goods. At the interior towns no one could tell the port at which they were landed. The total quantities of American and English, of the first three of the above named makes, was 38,309 pieces against 38,609 pieces last year. At Antung, which was also visited, 900 bales of the Blue Crab Sheettings had been sold this year. It was found on all sides in the Province that it was estimated there would be a stock of 140,000 bales lying in in Shanghai by the end of August, and that lower prices must necessarily follow, and that was what the natives were going to wait for! The buying for Szechuen is about over now for the season, but better news comes from Hankow and it is hoped that after the Settling day, the fifth of the fifth moon (22nd inst.) brighter and more prosperous times will be experienced in the trade here. There is a good demand for heavy weight Shirtings in Ningpo still, but stocks of the kind are getting very light here. As we write we learn that buying has already commenced for Tientsin, but particulars have not yet transpired; we understand that 2,000 bales Indian Yarn have changed hands amongst the Natives already for that market. Manchester opened very firm after the holidays, albeit Cotton had a lower tendency. The latest Liverpool quotation for Mid-American was 5.75d, for spot, no mention is made of "Future" Egyptian is a trifle weaker at 8.2d. The market is quiet at the decline, no doubt being influenced by the more favourable report of the American Crop prospects, the condition for 1st June being returned as 81.4. This, however, is much too early to judge, the 1896 crop condition was 97.2 on 1st June, but only 64.2 on 1st September! The New York market is steady to firm, the quotation for Peppercorns being now 11s. 5d. Cotton comes to-day 10.79 cents for July option, but was slightly lower earlier in the week. The Yarn market is steady to firm for Indian pinnings. During the interval Szechuen buyers have been the chief operators, but if it is true that Tientsin has commenced to buy in earnest we may see a much better market, and should strengthen the hands of some holders who were showing a disposition to realise. The slightly firmer tone of the Osaka Exchange has not had a similar effect on the market here, which continues in a drooping condition. At the close we hear of the sale by one of the Local Spinning Companies of 1,000 bales on the basis of Tls. 99.00 for No. 16s. Native Cotton is steady to firm. Business in Manchester makes has been on quite a retail scale, the prices paid for the small quantities required to supply a hand to mouth demand, being no criterion of the actual market, which is really conspicuous by its absence. In American goods a few resales are reported to have taken place, amongst which Pepperell Drills are said to have changed hands at Tls. 5.00. A few other small lines have also been resold, but the poor prices leads to the conclusion that they must be "hop-worn" so to speak. We have not heard of any indent business going through since the Manchester Mill's resumed working. A full supply has again been offered at the Auctions this week, and considering all things prices have kept up fairly well. 8.4 lbs. Shirtings do not seem to carry out the impression of great weakness there is in the private market, nor do the heavy weights of the strength owing to scarcity, for very few have shown any appreciable advance. In spite of the heavy quantities of white Shirtings being offered prices have stood the test fairly well White Irishes, T-Cloths and Jeans, have remained steady to firm. Turkey Reds were rather stronger earlier in the interval, but to-day sold irregularly with a lower tendency. Fast Black Cotton Italians have, on the whole, realised decidedly firmer prices, some Chops advancing as much as half a taol per piece. The statistical position of these goods is rapidly improving. Woollens continue to exhibit a much firmer tendency, all classes represented at the Auctions showing higher prices this week.

AMOY PRICES CURRENT & MARKET REPORT.

31st May, 1909

IMPORTS.

Quantity

Cotton—		
Bombay	piculs	25
Shanghai		
Ningpo		490
Rangoon		
Yarn		14,222
Cotton Piece Goods—		
Grey Shirtings	pieces	22,490
T-Cloths		16,574
White Shirting		12,139
Turkey Red		8,083
Drills		2,834
Figured Shirtings		297
Shirtings Dyed Brocades		417
Woollens—		
Camlets, Scarlet		785
Lastings		42
Spanish Stripes, Scarlet	yards	2,103
Metals—		
Lead, Best Brands	piculs	535
Tin, Malacca		1,654
Nail Rod Iron		1,068
Quicksilver		74
Old Iron		679
Ironwire		214
Rice		363,909
Opium—		
Patan		91
Benares		1,241
Persian		120
Malwa		11
Prepared		1
Szechuen		315
Yunnan		314
Kiangsu		13
Sassamum Seed		5,183
Oil Cakes		—
Paper		69
Sapanwood		525
Sandalwood		260
Rattans		20,745
Wheat		98,863
Flour		371,200
Beancake		321,942
Peas		1,908
Beche de Mer		2,000
Tea Mats		—
Kerosene—		
American Casas	galls.	1,253,985
Borneo Tins		287,540
Sumatra Tins		200,000
Bulk		283,440
Coal	tons	8,839
Tobacco Leaf	piculs	8,810
Vermicelli		4,156

EXPORTS.

Sugar—		
Amoy White, No. 1		64
Brown Cha-soa		8,060
Candy		9,600
Hemp—		
Hags Old		222,200
Sacking		66,100
Paper—		
1 Quality		10,454
2		2,280
Tobacco		4,549
Kittysols		3,500

EXPORTS:—

JAPANESE MARKET.

EXPORTS.

Tea.—Settlements to date amount to Pels. 12,000 against Pels. 11,000 to same date last season. Copper.—A good business done at steadily increasing prices, which close very firm. Fish Oil.—Herring catch in Hokkaido may be considered as finished—result is said to be smaller than last year. Rice.—Market firm. Cotton Yarn.—Market much quieter, Shanghai wants having been satisfied for time being. Vegetable Wax.—The market after an advance to Yen 23.00 has since declined. Matting.—The market has a firmer tendency. Straw Braid & Chip Braid.—Practically no change to report. Prices continue firm with upward tendency. Favourable reports regarding the crop of Straw are to hand from the country.

CAMPHOR.

HONGKONG 21st June:—There is nothing to report in this market, and prices are the same.

MISCELLANEOUS EXPORTS.

Per steamer *Woglinde*, sailed on 9th June. For New York—2 cases blackwood ware, 20 cases bristles, 25 bales broken cassia, 32 cases china ware, 65 cases paper, 125 casks preserves, 130 cases human hair, 155 rolls matting, 261 bales canes, 685 bales rattan cores, 1,400 bales split bamboos, 2,330 pkgs cassia, 2,112 pkgs firecrackers, 2,380 pkgs chinese cargo. For Washington—54 pkgs merchandise. For Pittsburg—204 pkgs merchandise. For Havana—49 pkgs merchandise.

Per P. & O. steamer *Delhi*, sailed on 12th June. For Hamburg—80 b/c tea. For Manchester—175 bales waste silk. For Gibraltar—19 bales silk. For Lyons—105 bales raw silk, 1 case silk pce. goods. For Marseilles—105 bales waste silk, 74 bales raw silk, 5 cases feather, 15 chests tea, 10 cases human hair. For London—165 bales waste silk, 724 cases tea, 55 bales raw silk, 30 bales feathers, 1 case silk, 1 dr. electric cable, 1 roll mat sample, 5 pkgs p'effects, 66 rolls mats.

HONGKONG SHARE QUOTATIONS.

HONGKONG, 18th June, 1909.—Chiefly owing to advancing rates and the want of supply to meet the small demand that has recently existed at the comparatively low rates for some little time, business has been restricted during the week, and rates show an inclination to decline in many cases, and in some an actual decline has taken place. Business in the early part of the week was fairly active but towards the end it fell off considerably and the volume on the whole has not been great. Exchange on London closes at 1/9 5/16 and on Shanghai at 7/4 5/8.

BANKS.—In the early part of the week Hongkong and Shanghai changed hands at 990 in small lots, and later, on a rise in the London rate to £93, some small sales were effected at 995, at the latter rate however sellers ruined the market and the quotation was not maintained, and at time of closing sales have been made at 990, at which the market closes with buyers and with sellers at 995. The latest advices from London (private) quote £93. 5. 0. Nationals remain unchanged and without business.

MARINE INSURANCE.—North Chinas have changed hands and are still in request at 105 and some small lots of Unions have changed hands at 840. Further than this we have nothing to report under this heading.

FIRE INSURANCES.—Hongkongs have found further buyers at 345, while Chinas continue in demand at 110 without bringing out any sellers.

SHIPPING.—Hongkong, Canton and Macao continue in demand and some sales have taken place at 33, the market closing with further buyers at that rate. Indos continue weak with sellers at 74, and no sales to report. Shells have improved to 64/6 in London and are enquired for locally at 63/6, without finding sellers. We have nothing further to report under this heading.

REFINERIES.—The market has ruled very quiet, and with the exception of sales of Luzons we have no business to report.

MINING.—Raub has ruled with sellers at 9 1/2, and small buyers at 9, without any business to report.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks continue out of favour and sales have been effected at the reduced rate of 65, sellers ruling the market at that rate at time of closing. Kowloon Wharfs have also eased up, and with sellers at 59 meeting with no response the market closes at 59. Shanghai Docks have declined in the North to 81 with sales and closes at 81 1/2 with sellers. Hongkew Wharfs have improved somewhat to 162 1/2, which is the latest quotation from the North.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands after being on offer during the week, at 110 without inducing buyers to come forward, close with sellers at 109. Hotels have been the medium of a fair investing business at 38 for the new issue, the market closing with further buyers at that price, while the old shares are procurable at 69. Humphreys continue in demand at 9 1/2 but holders still decline to part, while buyers refuse to offer any higher rate. Result a dead lock. Shanghai Lands have improved in the North to 120.

COTTON MILLS.—Ewos after falling to 12 in the North with sales, have advanced to 125, but sellers at that rate rule the market. Internationals have advanced to 89. There are no other changes to report under this heading.

MISCELLANEOUS.—Langkats have fallen considerably in the North and are now quoted at 99 1/2 ex div of Tls 12 1/2 paid on the 15th inst, with probable sellers at that rate. Electrics have improved to 19 1/2 with buyers and no sellers. Union Water Boats are still in request at 11 but we have heard of no sales. China Lights have declined to 6 1/2 with sellers. Watsons have changed hands at 8.70 and 8.65. Laundry's are enquired for at 5 1/2.

Quotations are as follows:—

STOCKS	PAID UP.	QUOTATIONS
Banks—		
Hongkong & Shanghai	\$125	\$995, sellers
National B. of China	£6	\$51, buyers
Bell's Asbestos E. A.	12/6d.	\$101, buyers
China-Borneo Co.	\$12	\$13 1/2, buyers
China Light & P. Co.	\$10	\$6 1/2, sellers
China Provident	\$10	\$9 1/2, buyers
Cotton Mills—		
Ewo Cotton S. & W.	Tls. 50	Tls. 125, sellers
Hongkong C. S. Co.	\$10	\$8 1/2, sellers
International	Tls. 75	Tls. 89
Laou Kung Mow	Tls. 100	Tls. 108
Soychee	Tls. 50	Tls. 370
Dairy Farm Co.	\$6	\$16 1/2, buyers
Docks & Wharves—		
H. & K. Wharf & G.	\$50	\$58, sellers
H. & W. Dock	\$50	\$65, sellers
New Amoy Dock	\$11	\$9
Shanghai Dock and Eng. Co., Ltd.	Tls. 100	Tls. 81 1/2
Shanghai & H. Wharf	Tls. 100	Tls. 162 1/2
Fenwick & Co., Geo.	\$25	\$11, sellers
G. Island Cement Co.	\$10	\$9
Hongkong & C. Gas	\$10	\$210, buyers
Hongkong Electric	\$10	\$19 1/2, buyers
Hongkong Hotel Co.	\$50	\$69, (old) sel.
	\$25	\$38, buyers
Hongkong Ice Co.	\$25	\$155, sellers
H'kong Rope M. Co.	\$10	\$25
Insurances—		
Canton	\$50	\$195, sellers
China Fire	\$20	\$110, buyers
China Traders	\$25	\$85 1/2, buyers
Hongkong Fire	\$50	\$345, sales
North China	\$5	Tls. 105, sales & b
Union	\$100	\$40, sales
Yangtze	\$60	\$215
Land and Buildings—		
H'kong Land Invest	\$100	\$109, sellers
Humphreys' Estate	\$10	\$9 1/2, buyers
Kowloon Land & B.	\$30	\$30, sales
Shanghai Land	Tls. 50	Tls. 120
West Point Building	\$50	\$46
Mining—		
S. F. des C. du T'kin	Fr. 250	\$625, buyers
Raub	18/10d.	\$9 1/2, sellers
Peak Tramways Co., Ltd.	\$10	\$13 1/2, buyers
Philippine Co., Ltd.	\$1	\$1 1/2
	\$10	\$8, sellers
Refineries—		
China Sugar	\$100	\$140, sellers
Luzon Sugar	\$100	\$15, sellers
Robinson Piano Co.	\$50	\$50, sellers
Steamship Companies—		
China and Manila	\$25	\$11, sellers
Douglas Steamship	\$50	\$46
H., Canton & M.	\$15	\$33, sales & buy.
Indo-China S. N. Co.	£5	\$48 1/2
		(\$25 1/2)
Shell Transport Co.	£1	\$63, buyers
Star Ferry	\$10	\$26
	\$5	\$15 1/2
South China M. Post	\$25	\$24, sellers
Steam Laundry Co.	\$5	\$5 1/2, sellers
Stores & Dispensaries—		
Campbell, M. & Co.	\$10	\$12
Wm. Powell, Ltd.	\$7	\$4, sellers
Watkins, Ltd.	\$10	\$3 1/2
Watson & Co., A.S.	\$10	\$870, sellers
Weissmann, Ltd.	\$100	\$150, buyers
United Asbestos	\$4	\$13
	\$10	\$300
Union Waterboat Co.	\$10	\$11, buyers

VERNON & SMYTH, Brokers.

SHANGHAI SHARE QUOTATIONS.

12th June, 1909.

COMPANY.	PAID UP.	QUOTATION.
Banks—		
Hongkong & Shanghai	\$125	\$1,010
National of China	£6	\$50, sales
Russo-Chinese	R187 1/2	Tls. 125
	T125	
Insurance—		
Union Society C'tn	\$100	\$845, buyers
North-China	£5	Tls. 104, buyers
Yangtze Assocn.	\$60	\$230, buyers
Canton	\$50	\$195, sales
Hongkong Fire	\$50	\$345, buyers
China Fire	\$20	\$110, buyers
Shipping—		
Indo-China { pref. } £5		Tls. 53 sales
Shell Trans. { ord. } £1		\$23.0.0
& Trading { pref. } £10		\$211.0.0, buyers
Shanghai Tug & { ord. } T50		Tls. 52, sellers
Lighter { pref. } T50		Tls. 53, buyers
Taku Tug & Lighter	T50	Tls. 45, sellers
Kochien Transportation & Tow Boat	T50	...
Docks & Wharves—		
Shanghai Dock & Eng.	T100	Tls. 84, sellers
H. & W. Dock	\$50	\$68, sellers
S. & H'kew Wharf	T100	Tls. 161, buyers
H. K'loon W. & G.	\$50	\$59, buyers
Yangtze	T100	Tls. 205, sales
Sugar Companies—		
Perak Cultivation	T50	Tls. 275, sales
China Refining	\$100	\$137 1/2, sales
Mining—		
Raub Australian	£1	\$9 1/2, buyers
Chinese Eng. & Min.	18/10	Tls. 18 1/2, sales
Lands—		
Shanghai Investment	T50	Tls. 119, sales
H'kong Investment	\$100	\$111, buyers
Humphreys' Estate	\$10	\$9, buyers
Weihaiwei	T20	Tls. 9
China	T50	Tls. 50
Anglo-French	T100	Tls. 104, buyers
Cotton—		
Ewo	T50	Tls. 122, sellers
International	T75	Tls. 59, sellers
Laou Kung Mow	T100	Tls. 10, sales
Soy Chee	T500	Tls. 375, sellers
Industrial—		
Shanghai Gas	T50	Tls. 113, sellers
Major Brothers	T50	Tls. 52 1/2
Shanghai Ice	T25	Tls. 15, sales
China Flour Mill	T50	Tls. 47, buyers
Shanghai Pulp & Paper	T100	Tls. 40, sellers
Green Is. Cement	\$10	\$9, sales
Maatschappij, & Co., in Langkat	Gs. 100	Tls. 1,110, buyers
Shanghai - Sumatra Tobacco	T20	Tls. 1,72 1/2, sales
Dominion Rubbers	T6	Tls. 8, sales
Shanghai Waterworks	£20	Tls. 415
Anglo-Ger. Brewery	\$100	\$75, buyers
A. Butler Cement, Tile Works	T50	Tls. 20, sales
Kalumpang Rubber	T50	Tls. 185
S. R'ber Estates	T100	Tls. 270, sellers
T. R. & T. Estate Co.	£1	Tls. 14 1/2, sellers
Eastern Fibre	£10	Tls. 10
Shanghai Electric Construction	£10	£8.2.6, sellers
Miscellaneous—		
Hall & Holtz	\$20	\$20 1/2, buyers
A. Llewellyn	\$60	\$65
A. S. Watson & Co.	\$10	\$9, buyers
Central Ordinary	\$15	\$19, sellers
Central Founders	\$15	\$400, buyers
S. Moutrie & Co.	\$50	\$46
Weeks & Co.	\$20	\$25 1/2, buyers
Astor House Hotel	\$25	\$20, sellers
Hongkong Hotel Co.	\$50	\$71, sel. ex. d.
Hotel des Colonies	T12.50	Tls. 5 1/2, sellers
Tientsin Hotel	\$100	Tls. 75, sales
Lane, Crawford & Co.	\$100	\$165
Dunning & Co.	\$50	\$40, sellers
Shanghai Horse Bazar	T50	Tls. 55, buyers
Shanghai Mercury	T50	Tls. 50
Shanghai Mutual Tale.	T50	Tls. 61, sales
China Im. & Ex. Lumber	T100	Tls. 83, sellers
Shanghai Electric & Asbestos	\$25	\$21, sales
Dallas Horse Repository	T70	Tls. 25
Printing Co.	T50	Tls. 50

J. P. BISSET & Co.

Messrs J. P. Bis-et & Co., in their Share Report for the week ending 10th June, state:—The principal feature in the market during the past week has been the sagging in the price of Langkats, the cash rate having fallen from Tls. 1,140 to Tls. 1,095. At closing a reaction has set in. The T. T. rate on London to-day is 2/4. Banks—Hongkong and Shanghai Banks. Shares have changed hands locally at \$1,010. The London rate is £91 Insurance.—No business reported. Shipping.—Indo-chinas have been placed for cash at Tls. 56. Kechien Tugs have been placed at Tls. 47. Docks and Wharves—Shanghai Docks have changed hands at Tls. 85 for July. Shanghai and Hongkew Wharves. A fair business has been done at rates ranging from Tls. 162 to Tls. 161 for June. Tls. 167 and Tls. 168 September. The market closes steady at these rates. Sugars.—Perak Sugars have been placed at Tls. 287½ and Tls. 290 each. Later at Tls. 292½ and Tls. 295 June, and for September delivery at Tls. 30. The market closes for September at Tls. 30. Lands.—Shanghai Lands have been placed at Tls. 118½ and Tls. 119. Anglo-French Lands are wanted at Tls. 104. Industrials.—Cotton Stocks. Laou Kung Mows have been placed at Tls. 106 cash, 107 June, 111, 112½ and 115 September. Ewes have been placed at Tls. 121 cash, Tls. 124, 124½, 128 and 127½ September. Internationals have been placed at Tls. 86½ and Tls. 90 for June, and Tls. 92 for September. Soychees are wanted at Tls. 375. Shanghai Gas shares have been placed and are offering at Tls. 112½ and Tls. 113. Shanghai Ices have been placed at Tls. 15. Green Lands have been placed at \$9 ex. 73. Maatschappij & Co. in Landkats. The market opened on the 3rd with sales for September at Tls. 1,190. On the 4th cash shares were placed at Tls. 1,140, and on the 5th at Tls. 1,140 for June delivery. On the 8th at Tls. 1,120 June, on the 9th at Tls. 1,095 cash, Tls. 1,100 June, Tls. 1,145 September. At closing there are buyers at Tls. 1,105 for cash and business has been done for September at Tls. 1,160. In Rubber Stocks, Kalumpungs have been placed at Tls. 195 and Tls. 200. Shares are offering at the latter rate. Tebongs have been placed at Tls. 14½, Tls. 15 cash, 15½ September. Dominions at Tls. 9½, and Tls. 9 for cash. Senawangs have been placed for cash at Tls. 275. Shanghai Sumatras have been placed at Tls. 180 cash and June Tls. 185 September. On the 9th the market was ended and shares were placed at Tls. 117½ June and Tls. 182½ September. Miscellaneous.—Telephones have been placed at Tls. 64, and Tls. 61 ex div. Shanghai Horse Bazaars at Tls. 55. Weeks & Co. at \$25 and are wanted. Debentures—The only business quoted is Astor House 7 per cent. Debentures at Tls. 105.

EXCHANGE.

HONGKONG, June 21st.	
Telegraphic Transfer	1/9 1/8
Bank Bills, on demand	1/9 1/8
Bank Bills, at 30 days' sight	1/9 1/8
Bank Bills at 4 months' sight	1/9 1/8
Credits, at 4 months' sight	1/9 1/8
Documentary Bills, 4 months' sight	1/9 1/8
ON PARIS—	
Bank Bills, on demand	224 1/2
Credits 4 months' sight	228 1/2
ON GERMANY—	
On demand	182
ON NEW YORK—	
Bank Bills, on demand	43 3/8
Credits, 60 days' sight	44 1/2
ON BOMBAY—	
Telegraphic Transfer	133 1/2
Bank, on demand	134
ON CALCUTTA—	
Telegraphic Transfer	133 1/2
Bank on demand	134
ON SHANGHAI—	
Bank, at sight	74 1/8
Private, 30 days' sight	75 1/2
ON YOKOHAMA—	
On demand	86 1/2
ON MANILA—	
On demand	87 1/2
ON SINGAPORE—	
On demand	76 1/8
ON BATAVIA—On demand	
	106 7/8
ON HATONG—On demand	
	8 1/2 p.c. p.m.
ON SAIGON—On demand	
	8 1/2 p.c. p.m.
ON BANGKOK—On demand	
	84 1/2
SYBESIGNS, Bank's Buying Rate	\$11.15
GOLD LEAF 100 fine, per tael	\$58.10
BAR SILVER per oz	24 1/8

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

June:—	
ARRIVALS.	
10. Canton, Swedish str., from Vladivostok.	
11. Antenor, British str., from Hankow.	
11. Chowfa, German str., from Bangkok.	
11. Delhi, British str., from Shanghai.	
11. Fri, Norwegian str., from Haiphong.	
11. Haimun, British str., from Swatow.	
11. Kaifong, British str., from Manila.	
11. Pongtong, German str., from Bangkok.	
11. Proteus, Nor. str., from Bangkok.	
11. Siam, Danish str., from Antwerp.	
11. Singan, British str., from Haiphong.	
11. Wongkoi, German str., from Bangkok.	
12. Banri Maru, Jap. str., from Moji.	
12. Kweiyang, British str., from Newchwang.	
12. Meefoo, Chinese str., from Shanghai.	
12. Pakling, British str., from Liverpool.	
12. Segura, British str., from London.	
12. Suevia, German str., from Hankow.	
12. Telemachus, British str., from Saigon.	
12. Tsintau, German str., from Bangkok.	
12. Waishing, British str., from Chinkiang.	
13. Childar, Norwegian str., from Bangkok.	
13. Chinhua, British str., from Shanghai.	
13. Haitan, British str., from Swatow.	
13. Mathilde, German str., from Hoihow.	
13. Matoppo, British str., from New York.	
13. Nord, British str., from Singapore.	
13. Shinano Maru, Jap. str., from Shanghai.	
14. Choising, German str., from Bangkok.	
14. Indrani, British str., from Keelung.	
14. Landrat Scheiff, Ger. str., from C'kiang.	
14. Neumantia, Ger. str., from Moji.	
14. Taikoson Maru, Jap. str., from Miike.	
14. Tungshing, British str., from Wuhu.	
14. Yuensang, British str., from Manila.	
14. Zafiro, British str., from Manila.	
15. Devawongse, German str., from Bangkok.	
15. Glenogle, British str., from Singapore.	
15. Haimun, British str., from Swatow.	
15. Hanoi, French str., from Haiphong.	
15. Helene, German str., from Tourane.	
15. Japan, British str., from Calcutta.	
15. Malta, British str., from London.	
15. Poona, British str., from Shanghai.	
15. Triumph, German str., from Tourane.	
15. Yeterofu Maru, Jap. str., from Bombay.	
15. Yorek, German str., from Bremen.	
16. Chumsang, British str., from Hongay.	
16. Daigi Maru, Jap. str., from Swatow.	
16. Dakotah, British str., from Manila.	
16. Germania, German str., from Wakamatsu.	
16. Haiyang, British str., from Coast Ports.	
16. Linan, British str., from Shanghai.	
16. Mishima Maru, Jap. str., from London.	
16. Persia, Austrian str., from Trieste.	
16. Pitsanulok, German str., from Bangkok.	
16. P. Waldemar, Ger. str., from Yokohama.	
16. Victoria, Swedish str., from Haiphong.	
16. Yeboshi Maru, Jap. str., from Moji.	
17. Chiyuen, Chinese str., from Shanghai.	
17. Choshun Maru, Jap. str., from Shanghai.	
17. Choyasang, British str., from Shanghai.	
17. Germania, German str., from Sydney.	
17. Haliolis, Dutch str., from Amoy.	
17. Hangchow, British str., from Chinkiang.	
17. Knivsberg, German str., from Hoihow.	
17. Theseus, British str., from Yokohama.	
18. Alesia, German str., from Portland.	
18. Canton, British str., from Weihaiwei.	
18. Haimun, British str., from Swatow.	
18. Kiang Ping, Chi. str., from Chinkiang.	
18. Mandasan Maru, Jap. str., from Miike.	
18. Tean, British str., from Manila.	

June:— DEPARTURES.

11. Brasilia, British str., for Yokohama.
11. Canton, Swedish str., for Singapore.
11. Chipshing, British str., for Swatow.
11. Glenesk, British str., for Shanghai.
11. Hailan, French str., for Hoihow.
11. Loongsang, British str., for Manila.
11. Nikko Maru, Japanese str., for Manila.
11. Quarta, German str., for Samarang.
11. Tjilatjap, Dutch str., for Shanghai.
11. Yingchow, British str., for Shanghai.
12. Anghin, German str., for Bangkok.
12. Delhi, British str., for Europe, &c.
12. Empress of Japan, Br. str., for Vancouver.
12. Haiching, British str., for Amoy.
12. Ischia, Italian str., for Singapore.
12. Locksun, German str., for Bangkok.
12. Rubi, British str., for Manila.
12. Sanuk Maru, Jap. str., for Yokohama.

13. C. Diederichsen, Ger. str., for Hoihow.
13. Chenan, British str., for Shanghai.
13. Fri, Norwegian str., for Haiphong.
13. Haimun, British str., for Swatow.
13. Hangsang, British str., for Shanghai.
13. Kweilin, British str., for Amoy.
13. Pakling, British str., for Hankow.
13. Palamo, British str., for Singapore.
13. Siam, Danish str., for Shanghai.
13. Suevia, British str., for Singapore.
14. Kwangtah, Chinese str., for Shanghai.
14. Segura, British str., for Shanghai.
15. Antenor, British str., for Saigon.
15. Changsha, British str., for Sydney.
15. Haitan, British str., for Swatow.
15. Kaifong, British str., for Cebu.
15. Mathilde, German str., for Hoihow.
15. Matoppo, British str., for Shanghai.
15. Mongolia, American str., for Shanghai.
15. Singan, British str., for Haiphong.
16. Banri Maru, Japanese str., for Moji.
16. Fudo Maru, Japanese str., for Kobe.
16. Glenogle, British str., for Amoy.
16. Haimun, British str., for Swatow.
16. Henrik Ibsen, Norwegian str., for Moji.
16. Kueichow, British str., for Swatow.
16. Kutsang, British str., for Singapore.
16. Malta, British str., for Shanghai.
16. Poona, British str., for Singapore.
16. Proteus, Norwegian str., for Bangkok.
16. Taming, British str., for Manila.
16. Wingsang, British str., for Shanghai.
16. Wongkoi, German str., for Swatow.
16. Yeterofu Maru, Jap. str., for Shanghai.
16. Yorek, German str., for Shanghai.
17. Amara, British str., for Samarang.
17. Bourbon, French str., for Singapore.
17. Childar, Norwegian str., for Swatow.
17. Chinhua, British str., for Shanghai.
17. Chowfa, German str., for Bangkok.
17. Indrani, British str., for Manila.
17. Mausang, British str., for Sandakan.
17. Mishima Maru, Jap. str., for Nagasaki.
17. Pongtong, German str., for Bangkok.
17. Taikoson Maru, Japanese str., for Miike.
17. Teucer, British str., for Kobe.
17. Triumph, German str., for Macao.
18. Haiyang, British str., for Swatow.
18. Hanoi, French str., for Q. Chow Wan.
18. Luetzow, German str., for Europe, &c.
18. Meefoo, Chinese str., for Shanghai.
18. Prinz Waldemar, Ger. str., for Australia.
18. Theseus, British str., for Singapore.
18. Yeboshi Maru, Jap. str., for Singapore.
18. Yuensang, British str., for Manila.

PASSENGERS.

ARRIVED.

Per Haimun, from Swatow, Mr. Winnink.
Per Glenogle, from Singapore Mr. Wakefield and son.
Per Japan, from Calcutta, &c., Lt. A. Creery, Messrs MacMillan, Ch. A. Taken and A. W. Baumgarten.
Per Shinano Maru, from Japan, &c., Messrs J. K. Mann, J. Lyall, G. H. Corse, W. C. Drew, H. C. Sutherland and I. Konakawa.
Per Chinhua, from Shanghai, Mr and Mrs Barrows, Mr and Mrs Lechynsen and three children, Mrs Hagen, Mrs Tweedie and child, Miss MacMahon, Messrs Derenzier & Symonds.
Per Zafiro from Manila, Mr and Mrs Thomson, Lieut. and Mrs Harrell, Mrs Maloney, Miss Payne, Capt. Docherty, Capt. Geddis, Messrs Taylor, Habbathge, Valentine, Patinas, Dawson, Seais, McDonald, Heintzelman, Smith, Quinn and Millier.

DEPARTED.

Per Delhi, for Europe, &c., Mr and Mrs Osgood, Miss Barrett, Capt. Molloy, Messrs Downie, Ferguson, Weiss, Cowdry, St. Barbe, Murphine, Rowsell, Shearer, Scarpara, W. H. Kelley, J. M. Dillon, A. H. Bodwell and Footo.
Per Mishima Maru, for Japan, Mr and Mrs Martin, Mr and Mrs Takeda and 3 children, Mr and Mrs S. Sugoya and 3 children, Mrs M. Kikuchi and child, Mrs Matsuda and child, Mrs Basil Taylor and 3 children, Mrs McEwen, Miss Ogura, Commander Taniguchi, Lt. Slater, Dr. Oyama, Messrs S. Goto, W. Ide, Osada, R. M. Denison, Bracci and K. Uyetsuki.

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